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Japan

Takemura: LDP 'Entangled' With Interests

OW2106144693 Tokyo KYODO in English 1434 GMT 21 Jun 93

[Text] Tokyo, June 21 KYODO—The ruling Liberal Democratic Party (LDP) fulfilled its role but is now growing old, so it is time to create new conservative party, said former Diet member Masayoshi Takemura in launching a new political party on Monday.

Takemura, 58, who broke away from the LDP with nine other party legislators on Friday and formed the "Sakigake" (literally "Harbinger"), said in an interview with KYODO News Service the ruling party's basic policies in the past have been right. "But because the LDP has been in power for so long, it is entangled with various interests and also has unchangeable policies and political methods," he said.

He said he hopes his decision to leave the LDP and form a new party will serve as an opportunity for the LDP to "wake up and revive." Takemura and the nine others quit the LDP after Prime Minister Kiichi Miyazawa dissolved the House of Representatives on Friday following the passing of a no-confidence motion against his cabinet.

The "Sakigake" comprises Takemura, Shoichi Ide, Takeshi Iwaya, Kenichiro Sato, Hiroyuki Sonoda, Hidemasa Tanaka, Kisaburo Tokai, Yukio Hatoyama, Asahiko Mihara and Susumu Yanase.

Takemura, former secretary general of the LDP's political reform headquarters, said the "Sakigake" will keep its doors open to people sharing a common ideology. He said, however, that the party has not yet considered specifically about cooperating with the Japan New Party or with the new political party expected to be formed on Wednesday by former Finance Minister Tsutomu Hata.

Takemura, a graduate of the University of Tokyo, was elected governor of Shiga Prefecture when he was 40. During his three terms, he tackled environmental problems and issues involving political reform.

He was first elected to the House of Representatives in 1986, and has been returned to the lower house twice.

Muto Doubts Opposition Coalition Government

OW2206123393 Tokyo KYODO in English 1208 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Foreign Minister Kabun Muto said opposition parties could not form a coalition government because their basic policies are quite different. Speaking at a lecture here, Muto said, "(opposition parties) could not get along together, since their basic policies, such as security and foreign policy, differ like oil and water."

While the largest opposition Social Democratic Party is cautious toward the overseas dispatch of the Self-Defense Forces personnel on U.N. peacekeeping missions, some members of the group led by former Finance Minister Tsutomu Hata are advocating revision of the Constitution to allow the SDF to take part in U.N. peacekeeping forces, Muto said.

Hata plans to form a new party on Wednesday [23 June] with 44 LDP defectors.

The foreign minister also pointed out differences among the opposition positions on nuclear power plants.

However, Muto said it will be difficult for the LDP to maintain its majority in the lower house.

The LDP had a majority 274 seats in the 512-member House of Representatives when Prime Minister Kiichi Miyazawa dissolved it last Friday [18 June] in the wake of a successful opposition no- confidence motion, helped by mutinous LDP members.

Muto joked that the LDP might win a landslide victory in upcoming elections if Miyazawa were to suddenly die. Muto cracked the joke in a talk before an audience of hundreds at a Tokyo hotel, which responded with laughter. "If Mr. Miyazawa were to die by some chance, sympathy (among voters) might bring us a landslide victory," Muto said. "But considering his good health, it seems we cannot expect that to happen and we will have to fight hard in the elections."

Muto noted that the current situation is similar to that in 1980 when then Prime Minister Masayoshi Ohira dissolved the lower house after losing a no-confidence vote amid a power struggle within the ruling party. Ohira's death during campaigning for a simultaneous election for both houses of the Diet was credited as bringing the LDP its first landslide victory in years and the party was able to regain a stable majority.

Muto said it was an interesting coincidence that he and Masaharu Gotoda, now deputy prime minister and justice minister, have served together in both the Ohira and Miyazawa cabinets. Gotoda served as home affairs minister in 1979 under Ohira.

Muto also told his audience that Miyazawa was too "gloomy" and that the prime minister must be more "bright, fun-loving, and strong" if he wishes to inspire those around him.

Miyazawa Questions Coalition Government Plan

OW2306060893 Tokyo KYODO in English 0538 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Prime Minister Kiichi Miyazawa cast doubt Wednesday [23 June] on the viability of a coalition government of ruling part defectors and opposition forces after the July 18 election for the House of Representatives.

Miyazawa said in a meeting of Liberal Democratic Party (LDP) support groups at the party headquarters that he doubts it is a good idea for political parties to tie up solely for the purpose of political reform. He pointed out that the Social Democratic Party [of Japan] and a new political party to be formed by former Finance Minister Tsutomu Hata have different opinions on such issues as the Self-Defense Forces, diplomacy toward South Korea and nuclear power plants.

With 56 members having defected from the LDP in the past six days, it now appears likely the ruling party will lose its decades-long majority in the powerful lower house. Miyazawa dissolved the lower house last Friday after an opposition-sponsored motion of no-confidence in his government was passed with the help of Hata's rebel LDP faction and some other dissident LDP members.

Forty-four rebel members of the LDP, led by Hata, left the party Tuesday and are expected to launch a new party later Wednesday. Another 11 members also quit the LDP and 10 of them established a new party called "Sakigake (Harbinger)" on Monday.

Miyazawa said the LDP has been in power for several decades and that he hopes the Japanese public in the election will choose the current, stable system led by the ruling party.

In a related development, House of Councillors member Motoo Shiina, from Iwate Prefecture, quit the LDP on Wednesday morning, bringing the total number of defectors from the ruling party to 56 in the space of six days. Shiina is the ninth LDP member from the upper house to quit. Unlike the other eight, he is not a member of the Hata faction. He said he wants to leave the party and follow his own philosophy in engaging in parliamentary activities.

JNP's Hosokawa Rules Out Coalition With LDP

OW2206122493 Tokyo KYODO in English 1131 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Morihiro Hosokawa, leader of the Japan New Party (JNP), on Tuesday ruled out the possibility of forming a coalition government with the Liberal Democratic Party (LDP) after the July 18 general election. The leader of the 13-month-old party was speaking at a press conference.

"If no persons of an LDP nature were elected but only persons with good sense, then (coalition with the LDP) is possible. But such a case is not probable," he said.

Hosokawa expressed a positive attitude toward cooperation with a new party called the "Sakigake" (harbinger), formed by a group 10 former legislators of the LDP on Monday.

Hosokawa also said his party will consider cooperation in the future with a party to be formed Wednesday by 44 LDP defectors led by former finance minister Tsutomu Hata.

The JNP has four seats in the House of Councillors but no seats in the lower house.

Hosokawa, an upper house member, said the party plans to field some 60 candidates in the lower house election and he will personally run in No. 1 constituency in Kumamoto Prefecture.

Kaifu Heads LDP Reformers Parliamentary League

OW2306111793 Tokyo KYODO in English 1107 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Reform-minded legislators in the ruling Liberal Democratic Party [LDP] formed a parliamentary league on Wednesday with former Prime Minister Toshiki Kaifu as its head. Sixty-one former House of Representatives members and House of Councillors members and 45 proxies attended the inauguration meeting of the political reform promotion parliamentarian league.

The league decided to back 83 candidates as an initial batch in the July 18 general election.

Kaifu said, "it is wrong to say that only those who quit the party are reformists," and hoped reformists would win the election.

At a press conference, the former prime minister, who was forced to resign in 1991 after a government-proposed package of political reform bills were scrapped, suggested the league may seek cooperation with a new political party, Shinseito - (New Life Party), formed by 44 LDP defectors including former Finance Minister Tsutomu Hata after the general election.

"We have the same goal of political reform, although the way toward that is different. The position has now differed but I hope the new party will work hard to achieve that great goal," Kaifu said.

Hata, 43 LDP Defectors Declare New Party

OW2306070493 Tokyo KYODO in English 0639 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Forty-four defectors from the ruling Liberal Democratic Party (LDP) on Wednesday declared the formation of a new political party headed by former Finance Minister Tsutomu Hata, with former LDP Secretary General Ichiro Ozawa as deputy head.

The new party, Soshinto (Creative New Party), pledged to achieve a sweeping political and electoral reforms. The foundation of the new party came 11 days before the official campaigning begins for the July 18 general election to select 511 House of Repesentatives legislators.

The lower house was dissolved last Friday after passing an opposition-sponsored motion of no-confidence in the cabinet of Prime Minister Kiichi Miyazawa. The Hata-Ozawa faction voted for the motion.

Hata, who split from the largest LDP faction of former Prime Minister Noboru Takeshita along with Ozawa last December, resigned Tuesday from the LDP together with 43 other legislators. The rebellion plunged the ruling party into its most acute crisis since its formation in 1955, making it appear likely that the LDP will lose its decades-long majority in the House of Representatives.

The move by the Hata group follows a similar decision by 10 other LDP lower chamber legislator who quit the party last week and formed a new party named Sakigake (Harbinger) on Monday.

Thirty-four of the Hata group's 36 lower house legislators sided with the opposition camp in voting for Friday's no-confidence motion.

On top of the 54 LDP defectors of the Sakigake and Hata's party (earlier named Soshinto but changed later to Shinseito), former Education Minister Kunio Hatoyama broke away from the LDP.

Hatoyama indicated his willingness to join the Shinseito (new life party) after the general election. His younger brother Yukio was among those who formed the Sakigake Party.

The secession of 55 members is the largest-ever breakaway from the conservative governing party.

In 1976, when the LDP came under a barrage of public criticism due to the Lockheed payoff scandal involving former Prime Minister Kakuei Tanaka, six dissident legislators seceded from the LDP and formed the New Liberal Club. The New Liberal Club was disbanded in 1986 and most of the legislators returned to the LDP.

The no-confidence motion was passed by the lower house in a vote of 255 to 220. Besides the 34 Hata group rebels, five more LDP members voted against the Miyazawa administration.

Hata, a long-time proponent of a single-seat constituency electoral system, had been urging the LDP leadership to strike a compromise with the opposition camp to replace the multiseat electoral system with a single-seat version.

When the LDP leadership announced last week that it was giving up its plan to reach such a compromise, Hata and Ozawa—both proteges of former LDP Vice President Shin Kanemaru—carried out their threat to lead their group of young legislators out of the ruling party.

Hata Holds News Conference on New Party 23 Jun

OW2306092093 Tokyo NHK General Television Network in Japanese 0720 GMT 23 Jun 93

[News conference by Tsutomu Hata, representative of the Shinseito Party, at an unidentified conference room in Tokyo; live]

[Text] [Unidentified party member] We are sorry to have kept you waiting so long. We will now begin the news conference. First, Representative Hata will give his greeting remarks.

[Unidentified moderator] I am sorry, but Mr. Kozo Watanabe will act as moderator. Mr. Watanabe, please.

[Watanabe] I am sorry to have kept you waiting so long. The members of Reform Forum 21 have worked together for the purpose of creating new politics in Japan, and we, the comrades of the forum, have come together and unanimously decided to form a new party for the new era.

Tsutomu Hata, who will be the representative of the new party, will announce the name of our party and explain the declaration for forming the party as well as its platform.

Comrade Hata, please.

[Hata] I am Tsutomu Hata. I have just been appointed as head of our new group. Under the unprecedented serious political situation, we formed the Shinseito Party at 1500 today with a total of 36 members from the House of Representatives and eight from the House of Councillors. Taking this opportunity of forming a new party, we want to pledge our efforts to create new politics full of vitality so as to greet the conclusion of the 20th century and open up a new era in the 21st century.

In starting our fresh endeavor, we would like to inform our people that we will do our utmost to reinvigorate politics; with our courage and reasoning, we want to open up a new page in history.

As regards the name of our party, we decided to call it Shinseito, which is written as New Life Party [in Chinese characters]. Our party is born with the purpose of remaking Japanese politics anew. In other words, the new party has been formed for the purpose of promoting new power, new trends, new voices, and a new system. That is the reason we have named our party Shinseito.

As a newly-born party, our group will engage in the election campaign and will win results so as to start pursuing our new politics, all the while keeping firmly in mind that our responsibility lies in creating new politics for the future. This is what I want to tell you.

As for the declaration for forming the new party and its basic platform, I would like to ask our member in charge to brief you.

[Unidentified party member] I will now read the declaration on the founding of the new party and the basic political program of the party. These documents will be distributed after the news conference ends.

We are in a history of violent change as we head toward the beginning of the 21st century. The international community has been swayed by drastic changes since the end of the cold war. During this turmoil, old political systems have been reformed one after another. It is impossible for Japan to survive alone in this flow. While staying in the Liberal Democratic Party [LDP], we struggled to establish a new political setup by revising various Japanese systems which had been established during the cold-war era. Unfortunately our attempt was foiled by a conservative desire and illusion within the LDP to survive the current political turmoil without making any changes and while ignoring the lessons of history, an old-fashioned notion created within the LDP through its monopoly on power. We have keenly felt that there were obstacles within the LDP to political reform. If we do nothing, Japan will be isolated in the international community. We strongly hope to change the politics of our country; this is our goal. To resolve accumulated problems at home and abroad, it is necessary to urgently regain public trust in politics so that drastic political reform can be achieved. In the hopes of creating a new political setup in which the general public can participate in politics and the nation's policies are determined based on popular participation and openness, we have inaugurated the Shinseito Party. The future of the world's peace and prosperity relies on whether human beings, ethnic groups, nations, individuals, religions, and cultures will be able to become self-reliant and coexist with one another. The idea of self-reliance [jiritsu] and coexistence [kyosei] is helpful in resolving various global problems. Also, to attain real freedom and democracy, each individual needs to become self-reliant. As a new conservative party with the principle of implementing progressive reforms, the Shinseito Party will make an all-out effort for the progress of human beings, the world, and Japan based on new ideas while at the same time preserving Japan's splendid tradition and spirit as well as its culture.

This is the declaration of the founding of the new party. Now I will read out the basic political platform of the party.

1. We will implement radical political reforms immediately. We will create a new Japan where democratic politics befitting this new historical era based on popular participation and openness can be instituted.

2. We will create a new Japan which will relax the various existing regulations, uphold social justice, and promote the sound development of the market economy.

3. We will create a new Japan which is conscious of its responsibility and role in the international community, and which can become a trusted country in the world.

4. We will create a new Japan which will promote the active development of politics, the economy, and culture mainly in local areas throughout the nation.

5. We will create a new Japan which will protect the precious earth.

6. We will create a new Japan which will regard education as a basis for founding the nation, will adopt the viewpoint of the general public, will implement thoughtful policies, and wherein the people can live life to the fullest.

This is the basic political program of our party.

[Watanabe] You have just heard Mr. Tsutomu Hata, head of the new Shinseito, which has just taken its first step in a new page of history, announced the name of the party, and the declaration on the founding of the party, and the political program of the party. If you have any questions, please feel free to ask.

[Unidentified reporter] [question indistinct; reporter not seen speaking through a microphone]

[Hata] On this point, we have also mentioned in our political program that our goal is to restore true politics in Japan or create true politics. This is, of course, not only a responsibility to the Japanese people; at the same time, I believe Japan should also fulfill its share of responsibilities in the international community. In this respect, the most important thing is that true politics be put into practice, and that we should work even harder for the implementation of a radical political reform—in the sense that this will restore trust in politics.

Another point is that, nearly 50 years have passed since the end of World War II. Various institutions and systems were created after Japan's defeat in the war. There have been strong demands for relaxation of regulations domestically and internationally. I believe we should take firm action in this aspect.

In addition, Japan has grown substantially as a nation. It has become a powerful country. While it is true that we are experiencing some difficulties after the bursting of the bubble economy, as a whole, Japan has become powerful. However, with regard to the true components of each company and each locality, various problems have been pointed out—for instance, commuting to work takes too much time. We believe it is necessary to implement various policies from the standpoint of the working people and of the citizens.

[Unidentified reporter] [question indistinct]

[Hata] With regard to this question, I agree with you that we have parted ways with the political regime. We have brought an end to a long political process in the belief that new people should take over political power, and that we need to be the core of this process. Each one of our colleagues clearly have such a sense of mission.

In order to accomplish this mission.... [changes thought] There have been talks about an alliance of convenience [yago]. Some people use the term "yago" frequently to attack us. Let me tell you that we are now in the post-cold war era. I have had discussions with people from various parties. Major differences do not exist now in terms of basic policies. I would rather like to point out that even though the opposition parties kept talking about the faults of one-party rule, they have not been able to accomplish the reorganization of the political world due to minor differences—although this may not be the most appropriate term—or due to their own different political platforms. This time, I believe minor differences of opinion must be ironed out for our best common interests.

However, since many of the opposition people have no experience in working within the political regime, we, who have been part of the center of political power, have the responsibility to appeal to the people straightforwardly about what are the responsibilities involved to make the government function, and what are the necessary basic policies, no matter how painful, and how difficult this is on our part. We, as a group, have been trained in this. In this sense, we will put aside minor differences to work for the common goal, and we are absolutely not an alliance of convenience.

Therefore, I believe the political regime that we will create through truly candid exchange of views will be one that is free, democratic, and full of vitality.

[Unidentified reporter] Can you tell us in concrete terms with which party you are going to form a coalition?

[Hata] Well, we are about to begin our battle. We will talk to groups which want to promote true political reform. In the Liberal Democratic Party there are still many people who have acted with us. We will not hesitate to talk with anybody who wants to begin a new political era.

[Unidentified reporter] Let me ask you a few more questions from the dean of the press corps. What issues are your party going to use to appeal to the voters during the election? How many people have been approved to run on your party ticket so far? How many people are you ultimately going to authorize as party candidates?

[Hata] Many people across the nation are asking us to recognize them as party candidates, but we have to know what kind of activities they have been involved in. It is not a matter of approving as many candidates as possible. We have to make sure our candidates are capable of winning the election. So far, we have approved 36 people, including Tatsuo Ozawa, as party candidates. They are the first group authorized. In addition, 17 more are about to be authorized. I can also say that many more people want to run on our ticket, and we are studying the possibility of authorizing them.

The point at issue in the election will be political reform. We are a group of people who have been united in promoting political reform. Now everybody is talking about political reform, but we are the ones who have been promoting true political reform. The people are placing great hope in us. Therefore, we think it is important to promote fundamental political reform, including reform of the electoral system, to make the Diet a venue where we can have true discussion.

One more thing I want to discuss is the summit. The prime minister will attend, and we will accept whatever agreement he makes with the other summit leaders. If Prime Minister Miyazawa says "yes" during his discussions with (summit) nations, we will say 'yes' also. By doing that, we will fulfill our responsibilities to the international community. [NHK Television coverage ends in the middle of the question and answer period]

Reaction to Formation of New Party Reported

Business Welcomes 'With Caution'

OW2306082293 Tokyo KYODO in English 0800 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Japan's business community Wednesday greeted with caution the creation of a new breakaway party from the ruling Liberal Democratic Party (LDP), calling it "a touchstone" in political reforms.

"I believe it will serve as a touchstone in developing new politics in our country," said Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren).

Hiraiwa, however, expressed regret at the resignation from the LDP of former Finance Minister Tsutomu Hata and other lawmakers to form the new party. Nevertheless, he said he is pinning high hopes that the new party will act as "a sound political group for librty and democracy."

The cautious welcome reflects the close relationship of the business community with the governing party for nearly four decades.

Takeshi Nagano, president of the Japan Federation of Employers Associations (Nikkeiren), said he expects the new party to develop into one of the nation's two major conservative parties.

"I'll appreciate it as meeting the people's hopes for a change in national politics," Nagano said.

With the business community long serving as a major political fund contributor to the LDP, some business executives alluded to the possibility of changing the way of distributing political donations. "We should give ear to the policy, ambitions, and ideas of each conservative party, including the one led by Hata, so that political donations will go to parties and politicians with which we have sympathy," Nagano said.

Masaru Hayami, head of the Japan Association of Corporate Executives (Keizai Doyukai), said there might be a need for the business community to review ways to support political parties.

Five Opposition Parties Comment

OW2306115593 Tokyo KYODO in English 1144 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Five opposition parties expressed interest in cooperating with the new political party formed by 44 defectors from the ruling Liberal Democrat Party (LDP) on Wednesday, but the Japanese Communist Party accused the defectors of being "false reformers."

Social Democratic Party (SDP) Chairman Sadao Yamahana told news conference his party "wants to hold extensive talks with the Shinseito (New Life Party) and seek to pursue a unified (policy) approach. The SDP is seeking to establish a new coalition government," he said, indicating his party's willingness to join forces with the new party.

Yamahana said, "I hope that the new party will not budge from its determination to put an end to the LDP's one-party rule." The LDP has been in power continuously since 1955.

Koshiro Ishida, chairman of Komeito, also told a separate news conference he sees "common ground" on which his party and other reform-minded forces could collaborate with the new party. Ishida said his party would also strive to occupy "the core" of a possible coalition government in trying to maximize his party's parliamentary strength in the July 18 general election for the 511- seat House of Representatives.

Japanese Communist Party secretariat head Kazuo Shii told reporters, "Hata and (the new party's manager-representative Ichiro) Ozawa who led the formation of the new party were at the nucleus of the money-corrupt politics of the Kanemaru type. All the Diet members who have joined the Shinseito were from the Takeshita faction and many of them were suspected of having obtained some of the 500 million yen given in secret donations to Kanemaru," he said.

Democratic Socialist Party Chairman Keigo Ouchi told reporters his party "wants to pursue close cooperation" with the new party, as it has ideals and policies "close to those of the Democratic Socialist Party. We would also like to expedite collaboration with the new party during election campaigning," he said.

Morihiro Hosokawa, leader of the New Japan Party, also indicated there is a possibility of forming a coalition with the new party. "We will discuss the matter after the election ends," he said. "We hail the collapse of the LDP's one-party rule," he said.

Masayoshi Takemura, who led a minor revolt on Monday by resigning from the LDP with nine other LDP dissidents, told reporters, "We feel respect and sympathy for the Hata group, who have set out on their own journey feeling the same pain as ours." The chief of the new party Sakigake (Harbinger) said, "I do not have any leeway to consider forming an alliance between the two groups at present. I feel affinity with them as we have advocated the same things regarding political reform," Takemura added.

LDP's Kajiyama Comments on Party

OW2306143293 Tokyo NHK General Television Network in Japanese 1018 GMT 23 Jun 93

[Interview with Seiroku Kajiyama, secretary general of the Liberal Democratic Party, by unidentified NHK reporter on 23 June—recorded; place not given; from the "NHK News 7" program]

[Text] We asked Seiroku Kajiyama, secretary general of the Liberal Democratic Party [LDP], what he has to say about the inauguration of the Shinseito Party.

[Begin Kajiyama recording] I have high expectations of the former colleagues, who broke away from the LDP and formed a new party today. I hope to have lengthy discussions with the new party in the future. The Shinseito may be able to cooperate with the opposition parties in the upcoming general election, which will be conducted under the present medium-sized constituency system, if they agree not to coordinate their differences in policies for the election. However, even if they win the election and form a coalition government, it is highly unlikely that they will be able to reconcile their differences. The group led by Tsutomu Hata has approached the opposition because they want to achieve electoral reform. The new party may not be able to agree with the opposition parties in the areas of security, measures to deal with the recession, Japan's international role, the constitutional status of the Self-Defense Forces, and energy issues. These problems must be settled through political measures. It is unlikely that the new party and the opposition will be able to form unity based on only one goal, which is to achieve electoral reform. If they have no intention to take power, then their policies will be given adequate evaluation. However, if they intend to come to power, we have to closely watch for the time being whether they will be able to reconcile their differences. I believe the general public will not support them if they fail to coordinate differences. The LDP is the only party that can run the country. The LDP has actually carried out political reform. Last year, it implemented 9-plus 10-minus electoral reform plan when the Social Democratic Party of Japan and other opposition parties protested the plan. The LDP is the only party that has called for drawing a line between politicians' public life and private one and for disclosing the flow of political funds. In this way, the party has tackled problems concerning political ethics. I am sure that if the people understand what the LDP has done, our party will be able to win a majority in the upcoming general election. [end recording]

House of Councillors' Member Shiina Quits LDP

OW2306120393 Tokyo KYODO in English 1116 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Motoo Shiina, a member of the House of the Councillors from the ruling Liberal Democratic Party [LDP], said Wednesday he quit the party the same day. Shiina is the 56th defector since the House of Representative was dissolved last Friday in the wake of the passage of a no-confidence motion against the cabinet of Prime Minister Kiichi Miyazawa with the help of rebel LDP members. He said he will continue political activities as an independent.

Shiina, 62, a former House of Representatives member who had been elected four times to the lower house before losing in the 1990 general election, was elected to the upper house in 1992 from the Iwate constituency. His late father Etsusaburo was once vice president of the LDP.

Watanabe Leaves Hospital 22 Jun To Campaign

OW2206140493 Tokyo KYODO in English 1331 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Former Foreign Minister Michio Watanabe left hospital Tuesday [22 June] for the first time in four months saying he plans to take to the streets to campaign for the July 18 general election for the House of Representatives. Watanabe, leader of the No. 3 faction within the ruling Liberal Democratic Party (LDP), told reporters he will "go (back) to the hospital if necessary and leave when it's no longer necessary."

Watanabe was the No. 2 man in the cabinet of Prime Minister Kiichi Miyazawa until he resigned as deputy prime minister and foreign minister on April 6 after being hospitalized for a second time in nine months on February 15.

Watanabe said that while watching his physical condition, he intends to give campaign speeches in and around Tokyo to support LDP candidates. The campaigning is to officially began on July 4.

He was earlier regarded as one of the most likely successors to Miyazawa as LDP president, a post which has carried with it the prime ministership under an LDP-controlled House of Representatives.

Miyazawa's two-year term of office as LDP president is due to run through September.

Watanabe said the LDP should aim at winning a majority of the 511 seats at stake in the general election but that if it cannot, it should seek cooperation from those who share similar basic policies with the LDP.

Watanabe suggested seeking cooperation with a new political party, "Sakigake" (Harbinger), formed Monday by 10 former lower house legislators who bolted the LDP, as well as with a group led by former Finance Minister Tsutomu Hata, which also left the party Tuesday. Hata and 43 other party members who quit the party will launch a new political party Wednesday.

The LDP had a majority 274 seats in the powerful 512-member lower house until last Friday when Prime Minister Kiichi Miyazawa dissolved it after Hata group members joined opposition parties to pass a no-confidence motion. The number of lower house seats stands at 511 this time because of a partial seat redistribution bill was already enacted.

When Watanabe was hospitalized last February, Foreign Ministry officials and aides said he was suffering from "a cold and fatigue," and that he needed to be in hospital "for a week or two."

Bat since then, he has remained at the Tokyo Women's Medical College Hospital. He resumed official duties on March 6, commuting to the Foreign Ministry and the Diet from the hospital.

In late May 1992, Watanabe was first admitted to hospital for what doctors said was gallstones and an infected bile duct. He resumed his duties at the Foreign Ministry in July after a break of 40 days.

Ministry, MOF at Odds Over Declaration Wording

OW2106141193 Tokyo KYODO in English 1359 GMT 21 Jun 93

[Text] Tokyo, June 21 KYODO—The Foreign Ministry is at loggerheads with the Ministry of Finance over the wording of Japan's trade surplus in an economic declaration to be adopted at the Group of Seven (G-7) summit in Tokyo on July 7 to 9, government sources said Monday.

Japan is most likely to be urged at the summit to take new fiscal measures to boost domestic demand to help whittle down its large trade surplus, the sources said.

Japan's current account surplus, the broadest measure of trade in goods and services plus some unilateral transfers, reached a record 126 billion dollars in fiscal 1992, according to Finance Ministry figures.

The huge surplus invited strong criticism from abroad. U.S. Treasury Secretary Lloyd Bentsen, for instance, recently said the Japanese surplus is hurting global economic growth.

Mindful of such criticism, Foreign Ministry officials maintain that in the economic declaration Tokyo should clarify its policy to boost domestic demand and open its markets wider, the sources said.

On the other hand, they said MOF officials see little need to refer to such a policy on the grounds that the effects of a pump-priming package adopted in April should be felt more clearly in the months ahead.

They said officials are concerned that the government would have little choice but to issue deficit-financing bonds should it pledge to take new fiscal measures in response to requests from the other G-7 nations—Britain, Canada, France, Germany, Italy and the United States. The ministry's concern stems largely from a fall in tax revenues.

The Foreign Ministry and the MOF agree that the U.S. and European countries need to reduce their fiscal deficits in order to correct their trade imbalances. But the two ministries remain wide apart on how Japan should respond to persistent calls for a lower trade surplus.

In view of last Friday's dissolution of the House of Representatives and the subsequent weakening influence of the prime minister's office, political observers believe the bickering between the two ministries will persist until just before the opening of the Tokyo summit.

Former U.S. Vice President Quayle Arrives

OW2206104593 Tokyo KYODO in English 0936 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Former U.S. Vice President Dan Quayle arrived in Tokyo on Tuesday for a speaking engagement Wednesday on Japan-U.S. relations sponsored by the private Japan Institute of International Affairs.

Quayle will speak on Japan-U.S. relations in the post-cold war era at Hotel Okura in Tokyo on Wednesday and is scheduled to meet Prime Minister Kiichi Miyazawa on Friday.

Muto Welcomes Kantor's Position on Sanctions

OW2306044093 Tokyo KYODO in English 0423 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—The United States will not take unilateral measures nor threaten any such move in its bilateral trade talks with Japan, Trade Representative Mickey Kantor said Wednesday. Kantor told Foreign Minister Kabun Muto that such measures are neither preferable nor effective and trade negotiations between the two countries ought to be constructive and well balanced, Foreign Ministry officials said.

Muto welcomed Kantor's approach, saying Japan needs to make efforts toward further deregulation, while the U.S. must strive to cut its federal fiscal deficit and beef up its industrial competitiveness, the officials said.

Kantor is visiting Japan to attend a two-day trade meeting among Canada, the European Community, Japan and the U.S. beginning Wednesday in Tokyo. The Kantor-Muto meeting took place at the Foreign Ministry ahead of the quadrilateral talks.

In light of Japan's massive trade surplus with the U.S.—reaching 50 billion dollars a year—Washington has proposed setting "benchmarks," or measurable targets for Japanese imports. Japan has strongly rejected the idea saying it would lead to a managed trade.

Japanese Foreign Ministry officials said no direct reference was made on the benchmark issue at Wednesday's Muto-Kantor meeting, but Muto expressed his opposition to measures that would lead to managed trade.

With regard to the long-stalled Uruguay Round of GATT trade talks, Kantor called for Japan's cooperation to reach a basic agreement on the market access negotiations, which seeks to completely or drastically remove tariffs on goods on a sector-by-sector basis among participants.

Kantor told Muto that market access talks are on the verge of success, while Muto said it is necessary to start by conceding on what is possible en route to completing the multilateral negotiations held under the General Agreement on Tariffs and Trade.

Kantor requested Japan conclude its bilateral construction talks, separated over [as received] the Japanese Government bidding system, by June 30, but Muto proposed continuing the negotiations. The U.S. has indicated it will impose sanctions if progress is not made by the deadline.

Mori on Opposition to U.S. Call for Targets

OW2306060393 Tokyo KYODO in English 0527 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Japanese Trade and Industry Minister Yoshiro Mori Wednesday renewed Tokyo's opposition to a U.S. proposal that Japan set up numerical trade targets as an effective means of slashing its huge current-account surplus.

"Japan can by no means accept te concept because it would shake the very foundation of the global economy," Mori told U.S. Trade Representative Mickey Kantor. A country's current-account level is determined by various private-sector factors and such an idea is beyond government control, Mori added. Mori was referring to the U.S. proposal that Tokyo set specific targets for reducing Japan's current-account surplus while the United States offer a similar pledge for reducing its budget deficit.

Mori dismissed the idea, saying it is "absurd" to discuss Japan's current-account surplus and the U.S. budget deficit on the same grounds because the latter is within government control.

During a 40-minute meeting, Kantor hoped the recently enacted Japanese supplementary budget for fiscal 1993 will serve as leverage to improve the situation surrounding Japanese Government procurement in the fields of supercomputers, computers and medical equipment.

Kantor was visiting Japan to attend a series of trade conferences, including a quadrilateral meeting of trade ministers from Japan, the U.S., the European Community (EC) and Canada opening Wednesday afternoon.

On the Uruguay Round of multilateral trade negotiations, a major topic at the four-way meeting, Kantor said the Tokyo meeting will produce results that could give "a great momentum" to get the stalled world trade talks rolling.

GATT Appeal on U.S. Steel Ruling Considered

OW2306013493 Tokyo KYODO in English 0058 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Japan will wait for the final ruling by the U.S. International Trade Commission (ITC) on Japanese flat-rolled steel exports, which Washington branded Tuesday [22 June] as being dumped, before deciding what to do, a trade official said Wednesday.

The official at the Ministry of International Trade and Industry (MITI) said the ministry will decide how to settle the issue after the ITC ruling comes out in late July. The Japanese Government has said it will appeal to the General Agreement on Tariffs and Trade (GATT) to set up a dispute-settling panel on the steel issue. Meanwhile, the Japanese steel industry voiced hopes that the ITC will reverse Tuesday's decision by the U.S. Commerce Department and will not impose dumping duties on their steel exports to the United States.

The Commerce Department slapped penalty taxes of up to 40.19 percent on Japanese flat-rolled steel products it said were being sold at unfairly low prices in the U.S. The department has investigated foreign steel sales by 20 countries, including Japan, since June last year, after the U.S. steel industry filed a complaint that steel from those countries was being dumped on the U.S. market.

The MITI official said the ministry had expected the decision, although the maximum penalty is higher than the 37.8 percent set in a preliminary ruling in January. MITI will examine the situation of the U.S. steel industry and Japanese steel products sales there before deciding whether to negotiate with Washington on a bilateral basis or to appeal to the GATT, the officials said.

Sources in the Japanese steel industry said the industry considers there has been no dumping at all and will continue lobbying in the U.S. to get a favorable judgment by the ITC. Hiroshi Saito, chairman of the Japan Iron and Steel Federation, said if the ITC imposes penalty taxes on Japanese steel exports, the federation will ask the Japanese Government to take the case to the GATT dispute-settling process.

The Japanese steelmakers accused of dumping hot-rolled, cold-rolled and surface-treated sheet steel are Nippon Steel Corp., Kawasaki Steel Corp, Kobe Steel Ltd., Nisshin Steel Co., NKK Corp., and Sumitomo Metal Industries Ltd. The industry sources said the six steelmakers have argued to Washington that surface-treated steel sheets were supplied for a specific user market where there are few competitors and that there was a low export volume of hot-rolled and cold-rolled steel sheets. There is little chance at present, however, of a political settlement or compromise through negotiations, the sources said.

Statement Denies Steel Exports Hurt U.S. Market

OW2306051093 Tokyo KYODO in English 0449 GMT 23 Jun 93

[Excerpt] Tokyo, June 23 KYODO—Japan's government and steel industry indicated Wednesday they might bring to the General Agreement on Tariffs and Trade (GATT) a dispute with the United States over Japanese steel exports. The Ministry of International Trade and Industry (MITI) said in a statement that Japan had voluntary control measures on steel exports to the U.S. until March last year and it was hard to believe that Japanese steel sales caused damage to the U.S. steel market.

In Washington on Tuesday, the Commerce Department in a final ruling said products of six Japanese steel manufacturers were being dumped in the U.S. and imposed dumping duties ranging up to 40.19 percent on the products.

The U.S. action is questionable under GATT rules, the MITI statement said, suggesting the ministry would appeal to a GATT panel on the issue if the ongoing bilateral negotiations prove unfruitful.

"Japan strongly hopes that the U.S. International Trade Commission (ITC) will make an impartial judgment when it issues a final decision in late July," the statement said. Hiroshi Saito, chairman of the Japan Iron and Steel Federation, said the Japanese steel industry rejects Washington's dumping charge, and that the organization will support MITI in taking the issue to GATT.

The dumping duties will become effective if the ITC finds in its final decision that the Japanese steel exports have damaged the U.S. industry. Japan is one of 20 countries whose steel manufacturers have been accused of dumping in a petition by a group of U.S. steelmakers filed with the Commerce Department in June last year.

Sources at the Japanese steel industry said the industry considers there has been no dumping at all and will continue lobbying in the U.S. to get a favorable decision by the ITC.

The Japanese steelmakers accused of dumping hot-rolled, cold-rolled and surface-treated sheet steel are Nippon Steel Corp., Kawasaki Steel Corp. Kobe Steel Ltd., Nisshin Steel Co., NKK Corp. and Sumitomo Metal Industries Ltd.

Toshio Kogure, vice president of Kawasaki Steel, said, "It is very regrettable that the U.S. authorities decided high penalty taxes, despite our orderly exports and great deal of cooperation with the U.S. steel industry."

Hiroshi Sugiyama, vice president of Sumitomo Metal, also said the Japanese steelmakers will "patiently" continue asserting that their exports are not being dumped. [passage omitted]

Muto: Privatization Fund for Russia Scaled Down

OW2206064693 Tokyo KYODO in English 0630 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Foreign Minister Kabun Muto on Tuesday [22 June] said a U.S.-proposed 4 billion dollar privatization fund for Russia will be scaled back to "around 500 million dollars or a bit less." Muto, delivering a speech at a Tokyo hotel, said agreement on the fund to help Russia privatize its state-run enterprises is expected to be reached at the July 7 to 9 summit in Tokyo of the Group of Seven (G-7) major industrial nations.

Foreign Ministry sources on Monday said that G-7 deputy finance ministers agreed to the fund's size in a meeting in New York late last week.

Muto called the original proposal for 4 billion dollars, made by the United States in April, "a preposterous suggestion."

He said that while Japan desires to see privatization succeed, it is concerned about the lack of competent proprietors, labor managers, and rank and file workers who understand the free market system and are willing to work hard.

"Time is needed for such people to be educated and learn techniques," he said. "I have been saying all along that not so much money is required to do that, and the U.S. has apparently has come to realize this."

Muto said that because insufficient progress has been made in Japan's territorial dispute with Russia, it will not pledge any new money for the fund.

He said a portion of the 1.82 billion dollars that it pledged for Russia at a G-7 ministerial meeting in April could be channeled into the fund.

Sources on Monday said that Japan will contribute up to 100 million dollars to the fund, which is expected to be available within this year.

The U.S. has proposed that the privatization fund be half financed by international organizations like the World Bank and the European Bank for Reconstruction and Development (EBRD) and half by contributions from individual countries.

Canada Urges Abolishing Tariffs on Wood Products

OW2306043393 Tokyo KYODO in English 0414 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Canadian International Trade Minister Michael Wilson on Wednesday [23 June] called upon Japan to reduce tariffs on wood products, nonferrous metals and distilled alcoholic beverages, officials of the Ministry of International Trade and Industry (MITI) said.

Wilson made the request at a meeting with MITI Minister Yoshiro Mori before attending a ministerial meeting on market access of industrial products and services later in the day among Canada, the European Community (EC), Japan and the United States, the officials said. Mori asked for understanding on the issue by repling, "We recognize Canada's interest and are making efforts, but we have difficulty ahead of a general election," they said.

Meanwhile, Wilson welcomed headway in financial services and also expressed hopes that the United States can make progress in maritime transportation, they said.

Wants Interests Secured in Accord

OW2306061493 Tokyo KYODO in English 0508 GMT 23 Jun 93

[Text] Tokyo, June 23 KYODO—Canadian Trade Minister Michael Wilson said Wednesday Canada wants its interests clearly reflected in a market access package timed for next month's seven-nation summit in Tokyo to speed conclusion of the Uruguay Round of multilateral trade negotiations, Japanese Foreign Ministry officials said.

The officials said Wilson told Foreign Minister Kabun Muto that Canada is especially keen to see its interests safeguarded in the areas of processed farm products, forestry products, nonferrous metals and distilled spirits. Wilson arrived in Japan on Tuesday to attend two-day talks opening Wednesday among Canada, Japan, the United States and the European Community on reinvigorating negotiations in the six-year-old Uruguay Round under the General Agreement on Tariffs and Trade (GATT).

Muto was quoted as saying the four are expected to make substantial progress on the subject of market access for goods and services in advance of the July 7-9 summit in Tokyo of the Group of Seven (G-7) major industrial nations. He said a market access agreement would add impetus to wider efforts under way in the world to conclude the Uruguay Round by the end of the year.

Agriculture, the most contentious issue, is not on the agenda for the quadrilateral meeting and is not expected to be included in the market access package to be announced at the G-7 summit.

Nevertheless, Wilson said, domestic considerations in Canada oblige his government to ensure any agreement or announcement at the G-7 summit "clearly reflect Canada's interests." The G-7 nations are Britain, Canada, France, Germany, Italy, Japan and the United States.

The officials said Wilson noted that Japan is now showing a positive stance in the field of financial services. Wilson has stressed that the market access package must include financial services. He said last month that Japan is among the countries that must open up its financial services sector to more foreign competition.

Ministry Says Talks With ROK Set for 29 Jun

OW2206014793 Tokyo KYODO in English 0131 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Japan and South Korea will hold regular foreign ministerial talks in Seoul on June 29, the Foreign Ministry said Tuesday. Foreign Minister Kabun Muto, who will be visiting Seoul on June 29-30, will be meeting for the first time with his South Korean counterpart Han Sung-chu.

The talks are expected to take up the issue of North Korea's alleged nuclear weapons development program, the bilateral trade imbalance in Japan's favor, and Japanese measures to take responsibility for having forced South Korean "comfort women" during World War II to sexually accommodate Japanese soldiers.

Muto is likely to offer to reflect South Korea's desires at the Group of Seven (G-7) summit in Tokyo on July 7-9.

Foreign Ministry officials have said Japan's going ahead with the bilateral talks, despite domestic political upheavals resulting from the dissolution of the Diet, demonstrates that Japan's diplomacy will proceed without hindrance.

The last regular foreign ministerial talks took place in Tokyo in April 1991. The upcoming talks will be the sixth of their kind.

EPA Head: Economy To 'Clear Up' in 2d Half

OW2206050893 Tokyo KYODO in English 0420 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Japan's economy will show an overall recovery in the second half of fiscal 1993, Osamu Takatori, the new director general of the Economic Planning Agency [EPA], said Tuesday.

Takatori said at a regular press conference after the day's cabinet meeting, "the sky is still of the rainy season, overall, at present. But the clouds are breaking in places."

Should the government implement the economic stimulus programs it approved in April, Takatori said, the economic outlook will "clear up" sometime in the latter half of the current fiscal year, which began April 1.

Touching on the ongoing political turmoil in Japan, Takatori said it is important to stabilize the political situation as quickly as possible after the general election in July, because fears have emerged that such turmoil is hindering economic recovery.

As for the weakening of stock prices in the past few days, he said the market is overreacting.

Takatori was appointed by Prime Minister Kiichi Miyazawa to the EPA post on Monday to succeed Hajime Funada, who resigned Friday shortly before an opposition no-confidence motion against the Miyazawa cabinet was passed by the House of Representatives.

Funada belongs to the rebel ruling party faction led by former Finance Minister Tsutomu Hata and voted for the no-confidence motion.

DA Announces Reshuffle; Nishimoto Gets Top Post

OW2206015393 Tokyo KYODO in English 0128 GMT 22 Jun 93

[Text] Tokyo, June 22 KYODO—Ground Self-Defense Force (GSDF) Chief of Staff Gen. Tetsuya Nishimoto will shortly be appointed chairman of the Joint Staff Council, Defense Agency [DA] officials said Tuesday.

The officials said that from July 1, Nishimoto will replace retiring Joint Staff Council chairman Adm. Makoto Sakuma. As part of the personnel reshuffle of the Self-Defense Forces, commanding general of the Northern Army Lt. Gen. Hikaru Tomizawa will succeed Nishimoto as GSDF chief of staff.

Commandant of the Sasebo District Vice Adm. Chiaki Hashizaki will be promoted to the post of chief of staff of the Maritime Self-Defense Force, replacing retiring chief of staff Adm. Fumio Okabe.

Defense Agency Director General Toshio Nakayama obtained the government's approval of the personnel reshuffle at Tuesday's cabinet meeting, the officials added.

North Korea

Papers Denounce ROK 'Large-Scale War Exercise'

OW2306075593 Pyongyang KCNA in English 0428 GMT 23 Jun 93

[Text] Pyongyang, June 23 (KCNA)—Papers here today denounce the South Korean authorities for staging a large-scale war exercise codenamed "Ulchi 93" across South Korea from June 21.

The chief executive of South Korea instructed that the war exercise should be held in a "real war atmosphere." And the "prime minister" described it as "the first of its kind to cope with state emergency" and said "its main stress will be put on the strong will of national security".

NODONG SINMUN brands this as an overt revelation of the sinister scheme of the present "government" for confrontation and war and as an unpardonable anti-peace, anti-reunification criminal act.

The news analyst says:

The South Korean authorities have launched the drill at a time when the exchange of special envoys between the sides for solving the pending issues between the North and the South including improvement of North-South relations, reunification and the denuclearization of the Korean peninsula is on the order of the day. This eloquently proves they are not interested in North-South dialogue but seek confrontation and increased tensions.

Especially, the chief executive spurted to the foreground and agitated confrontation in this war racket. This shows the Kim Yong-sam "government" is the same treacherous regime as the "fifth and sixth republics," though it styles itself a "civilian government."

A MINJU CHOSON analyst demands that the South Korean authorities discard the outdated stance of confrontation though belatedly, immediately stop the drill and take a correct stand for sitting down with fellow countrymen and solving the questions of peace and reunification of the country.

Thai Prince Continues Visit 22 Jun

Tours Mt. Kumgang

SK2206051393 Pyongyang KCNA in English 0433 GMT 22 Jun 93

[Text] Pyongyang, June 22 (KCNA)—His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand and his entourage went sightseeing to Mt. Kumgang Monday.

The guests were accompanied by Vice-premier Chang-chol and officials concerned.

Going round scenic spots of world renowned Mt. Kumgang, the guests were struck with wonders at its elegance and beauty.

They had a rest, enjoying a bird's-eye view of Sea Kumgang and going round lake Samil.

Tours Kaesong With Vice Premier

OW2306074293 Pyongyang KCNA in English 0422 GMT 23 Jun 93

[Text] Pyongyang, June 23 (KCNA)—His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand and his entourage visited Kaesong Tuesday [22 June].

They were accompanied by Vice-Premier Chang Chol and officials concerned.

The guests saw the room where negotiations for the Korean armistice took place and the conference room of the Military Armistice Commission in Panmunjom.

They went round Koryo insam (ginseng) fields and called at a unit of the Korean People's Army.

They expressed deep impressions at a-match-for-a-hundred soldiers who were reliably defending the socialist homeland with arms.

Then, the guests saw the concrete wall built in the area south of the military demarcation line.

Kim Il-song Greets Sihanouk on National Day

SK2306110393 Pyongyang KCNA in English 1017 GMT 23 Jun 93

[Text] Pyongyang, June 23 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to His Royal Highness Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, on the national day of Cambodia.

Noting that the Cambodian people are greeting the significant national day at a time when the respected His Royal Highness Samdech was reelected head of state of Cambodia, the message said:

"Now strenuous efforts have been made in Cambodia to consolidate the success in general elections in May and promote peace and stability of the country.

"We believe that the Cambodian people will make great progress in the efforts for national reconciliation and unity, the territorial integrity and the reconstruction of the country under your correct leadership.

"Assuring you that we will as ever extend full support and solidarity for your patriotic cause of independence, I sincerely wish you and your people greater success in the endeavours for the building of a new prospering Cambodia."

The message expressed the belief that excellent relations of friendship and cooperation between the two countries will be expanded and developed day by day in accordance with the idea of independence, peace and friendship.

Ambassador to Cambodia Meets With Sihanouk 16 Jun

SK2206051093 Pyongyang KCNA in English 0421 GMT 22 Jun 93

[Text] Pyongyang, June 22 (KCNA)—Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, met the Korean ambassador to his country on June 16.

The ambassador conveyed words and greetings of President Kim Il-song and Comrade Kim Chong-il to the Samdech on the successful holding of the general elections in Cambodia.

The words sent by most respected His Excellency Generalissimo Kim Il-song and dear His Excellency Marshal Kim Chong-il served as a great inspiration and strength in achieving peace and national unity of Cambodia," the Samdech said.

He highly appreciated the great achievements made in building and defending the country by the courageous Korean people under the wise guidance of the great leader His Excellency Generalissimo Kim Il-song and the dear leader His Excellency Marshal Kim Chong-il.

He expressed full support to the "10-point programme of the great unity of the whole nation for the reunification of the country" and other proposals for national reunification and all the lines and policies for the building of the country advanced by the great leader His Excellency Generalissimo Kim Il-song.

Kim Chong-il Study Group in Japan Meets

SK1606110893 Pyongyang KCNA in English 1001 GMT 16 Jun 93

[Text] Pyongyang, June 16 (KCNA)—An inaugural meeting of the Kanagawa, Japan, Society for the Study of Kim Chong-il's works took place in Kawasaki on May 31.

A report was delivered and rules of the society adopted at the meeting.

Jun Utsumi was elected chairman and Etsuko Shimada secretary general.

A letter to the dear leader Comrade Kim Chong-il was adopted at the meeting.

Japanese Group Comments on DPRK-U.S. Talks

SK2206050193 Pyongyang KCNA in English 0416 GMT 22 Jun 93

[Text] Tokyo, June 20 (KNS-KCNA)—The Japan Committee for supporting the independent and peaceful reunification of Korea released a statement concerning the DPRK-U.S. talks.

Noting with high appreciation that at the talks the sides expressed support for the "Joint Declaration on the Denuclearization of the Korean peninsula" and agreed on principles such as assurances against the use of force, including nuclear weapons, the statement says:

Considering that the United States, in accordance with the DPRK-USA joint statement, will no more stage the "Team Spirit" joint military exercises, we demand that it withdraw its nuclear weapons from South Korea.

We also demand that the United States open its nuclear military bases to the public and accept an equitable simultaneous inspection.

We hope that the DPRK-U.S. talks will mark an epoch-making occasion for peace and reunification of the Korean peninsula.

Kim Il-song Sends Message to Mongolian President

SK1906014993 Pyongyang KCNA in English 1522 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Punsalmaagiyn Ochirbat upon his reelection as president of the state of Mongolia.

Expressing the belief that the friendly and cooperative relations between the peoples of the two countries would develop favourably, President Kim Il-song wished the Mongolian president great success in his responsible work for the prosperity of the country.

Delegations Leave To Visit China, Mongolia 22 Jun

SK2206214493 Pyongyang KCNA in English 1509 GMT 22 Jun 93

[Text] Pyongyang, June 22 (KCNA)—A delegation of the cultural officials of Korea led by Vice-minister of Culture and Art Kwon Hyok-pong and a Korean trade union delegation led by Kim Kuk-sam, vice-chairman of the Central Committee of the General Federation of Trade Unions of Korea, left here today to visit China, and a delegation of the Ministry of Marine Transport led by Vice-minister Choe Chun-yong left for Mongolia.

A Korean resident in the U.S. Son Won-tae and his companion arrived here today.

Head of Asian Institute for Chuche Arrives

SK1606044593 Pyongyang KCNA in English 0404 GMT 16 Jun 93

[Text] Pyongyang, June 16 (KCNA)—Govind Narain Srivastava, secretary general of the Asian Regional Institute of the Chuche Idea, and his companion arrived in Pyongyang on June 15 by plane.

They were met at the airport by Kim Chang-su, vice-president of the Academy of Chuche Idea.

Presents Gift for Kim Il-song

SK1706122093 Pyongyang KCNA in English 1038 GMT 17 Jun 93

[Text] Pyongyang, June 17 (KCNA)—The great leader President Kim Il-song received a gift from Govind

Narain Srivastava, secretary general of the Asian Regional Institute of the Chuche Idea, and his party staying in Korea.

The gift was handed to an official concerned by the secretary general.

Presents Gift for Kim Chong-il

SK1706121893 Pyongyang KCNA in English 1039 GMT 17 Jun 93

[Text] Pyongyang, June 17 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from Govind Narain Srivastava, secretary general of the Asian Regional Institute of the Chuche Idea, and his party on a visit to Korea.

The gift was handed to an official concerned by the secretary general.

Kim Il-song Receives Iranian Cultural Minister

LD1806200293 Tehran IRIB Television First Program Network in Persian 1430 GMT 18 Jun 93

[Text] In the course of remarks delivered in Pyongyang yesterday, Kim Il-song, the North Korean leader, expressed his appreciation of the work carried out by the Islamic Republic's news agency [IRNA] toward confronting the hegemony of news imperialism, and said: As the head of the coalition of news agencies from nonaligned countries, IRNA plays a very positive role in promoting the aims of the Nonaligned Movement in its battle against the monopolistic hegemony of news networks affiliated with arrogant powers and in publicizing real news about Third World countries.

The leader of North Korea, who was speaking in a meeting with Mr. Larijani, the minister of culture and Islamic guidance; the director of IRNA; and a group of ministers of culture and information from nonaligned countries, stressed: Networks affiliated to hegemonistic powers present and broadcast news about Third World countries in accordance with their own wishes and on the basis of their own colonialist aims and interests. The news agencies of nonaligned countries must, therefore, strive for the establishment of a balanced international system in the field of news and communications.

Kim Il-song also described the role of the Iranian news media in advancing the aims of the Nonaligned Movement as very significant.

Speaking at the opening ceremony of the fourth conference of information ministers from nonaligned countries in Pyonyang, Kim Il-song stressed the need for a qualitative and quantitative expansion of the machinery of information, including news media, in nonaligned countries, and he described the coalition of nonaligned news agencies as one of the most effective instruments for achieving this aim.

In a meeting with the Islamic Republic of Iran's delegation, the North Korean foreign minister, for his part, expressed his congratulations to Mr. Hashemi-Rafsanjani on his re-election as president of the Islamic Republic of Iran and called for the consolidation of ties between the two countries.

People's Assembly Delegation Continues Visits

Meets Ukrainian Deputy Premier 15 Jun

SK2306054493 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 20 Jun 93

[Text] Chairman Yang Hyong-sop, head of the DPRK Supreme People's Assembly [SPA] delegation, met and conversed with Ukrainian Deputy Prime Minister Yevtukhov on 15 June.

Delegation members visited the Kiev Machine Tool Complex and a museum of historic relics on 14 and 15 June. They also placed a wreath at the Unknown Soldiers' Tomb.

After arriving in the city of Cherkassy, Ukraine on 16 June, the delegation met and talked with functionaries at the state and city levels of the Cherkassy Soviet.

The delegation visited residents and industrial districts in Cherkassy, the (Dnepro) Kolkhoz, a garment plant, and the (Poksa) University of Technology on 16 and 17 June. They also placed a wreath before the Glory Monument which was built in memory of the victims of the fatherland war.

Ukrainian Supreme Soviet First Vice Chairman (Drutsnez) arranged a banquet for the delegation during their stay. Present at the banquet were Deputy Prime Minister Pynzenyk, Ukrainian Supreme Soviet Financial Committee Chairman (Pezerov), and other relevant functionaries. The DPRK's SPA delegation members were invited.

The participants drank toasts to the long life and good health of the great leader Comrade Kim Il-song, the dear leader Comrade Kim Chong-il, and Ukrainian President Leonid Kravchuk.

Arrives in Belarus 18 Jun

SK2306054793 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 20 Jun 93

[Text] A DPRK Supreme People's Assembly delegation led by Chairman Yang Hyong-sop arrived in Belarus on 18 June.

(Dersico), chairman of the Belarusian Supreme Soviet International Project External Economic Link Committee and other relevant functionaries met the delegation at the airport.

The delegation had left Kiev that day after winding up its visit in the Ukraine. Ukrainian Supreme Soviet First

Vice Chairman (Druzeniz) and other relevant functionaries had seen the delegation off at the airport.

Information Services Agreement Signed With Rwanda

SK2106051593 Pyongyang KCNA in English 0439 GMT 21 Jun 93

[Text] Pyongyang, June 21 (KCNA)—An agreement on cooperation in information services between the Governments of the Democratic People's Republic of Korea and the Republic of Rwanda was signed here Sunday.

The signing ceremony was attended on the Korean side by Kim Ki-yong, chairman of the DPRK Information Committee, and other officials concerned, and on the opposite side by the members of the government delegation of the Republic of Rwanda headed by Pascal B. Ndengejeho, minister of Information.

Information Services Agreement Signed With Zaire

SK2106051193 Pyongyang KCNA in English 0438 GMT 21 Jun 93

[Text] Pyongyang, June 21 (KCNA)—An agreement on cooperation in information services between the Information Committee of the Democratic People's Republic of Korea and the Ministry of Information of the Republic of Zaire was signed here Sunday.

Present at the signing ceremony on the Korean side were Kim Ki-yong, chairman of the DPRK Information Committee, and other officials concerned, and on the opposite side the members of the government delegation of the Republic of Zaire headed by Ngongo Luwowo, minister of information.

Cultural Exchange Agreement Signed With Ghana

SK2106050493 Pyongyang KCNA in English 0434 GMT 21 Jun 93

[Text] Pyongyang, June 21 (KCNA)—A plan of cultural exchange for 1993-1995 between the Governments of the Democratic People's Republic of Korea and the Republic of Ghana was signed in Accra on June 17. It was signed by Yi Hae-sop, Korean ambassador to Ghana, and Mohammed Ben Abdallah, chairman of the State Commission on Culture of Ghana.

Burundian President Receives DPRK Ambassador

OW2306074193 Pyongyang KCNA in English 0413 GMT 23 Jun 93

[Text] Pyongyang, June 23 (KCNA)—Burundian President Melchior Ndadaye told the Korean ambassador to his country on June 16 that his country would fully support the Korean people in their struggle for a peaceful reunification of the country.

Noting that Korea had made world-startling, miraculous achievements in a short span of time, he said it was a fruition of the wise guidance of the great leader President Kim Il-song and the dear leader comrade Kim Chong-il.

Saying that the Korean people's spirit of overcoming difficulties, their industry and zeal were what the Burundian people should follow, he stressed that his people would actively draw on the fine experience gained by the Korean people.

"Burundi will strive to further develop friendly and cooperative relations with Korea," he declared.

Pak Song-chol Meets Outgoing Sudanese Ambassador

SK1906050493 Pyongyang KCNA in English 0444 GMT 19 Jun 93

[Text] Pyongyang, June 19 (KCNA)—Vice-president Pak Song-chol met and conversed with Anwar al-Hadi 'Abd-al-Rahman, Sudanese ambassador to Korea, who paid a farewell call on him at the Mansudae Assembly Hall on June 18. Present there was Chang Song-kil, vice-minister of foreign affairs.

Nation Fulfills Economic Targets Ahead of Schedule

SK1806213693 Pyongyang KCNA in English 1504 GMT 18 Jun 93

[Text] Pyongyang, June 18 (KCNA)—Plans for the first half of the year have been fulfilled ahead of schedule in various domains of the national economy of Korea.

The April 3 machine tool complex had fulfilled its assignments for the first half of the year at 106 percent by the end of may in terms of gross industrial output value.

In this period, it produced a large number of high-performance machine tools of new types such as "kusong-6" and "kusong-10" to contribute to the modernisation of the national economy.

The December 5 factory carried out its first half year plan at 111.9 percent one month ahead of schedule in terms of industrial output value.

The Sariwon coal mining machine plant fulfilled its first half year plan two months ahead of the set time. Now it has carried out its yearly commitments at 80 percent.

More than 120 forestry units had beaten their first half year targets by the end of April. In this period, 135,000 more cubic metres of timbers and 82,000 more cubic metres of props were produced than in the same period last year for coal and ore mines and socialist construction sites.

The North Hamgyong provincial prospecting administration gave preference to prospecting designing adapted to the conditions of the deposits in the promising zones and secured much more reserve deposits with less amount of tunnelling, thereby fulfilling its first half year plan for reserve deposits on June 10.

The first half year goals were also hit by the Pyongyang shoe-making factory, the Kaesong knitwear mill, the Kaesong Songdo foodstuff factory the kaesong koryo embroidery factory and eleven other industrial establishments in Kaesong and by many units of mining, power and metallurgical industries and railways.

Electric Power Production Said Increasing

SK2206110193 Pyongyang KCNA in English 1028 GMT 22 Jun 93

[Text] Pyongyang, June 22 (KCNA)—Electric power production is increasing in the Democratic People's Republic of Korea.

The power industry workers have turned out to fulfill the calls of the Central Committee of the Workers' Party of Korea published on the occasion of the 40th anniversary of the victory in the Fatherland Liberation War in hearty response to them. Entering this month, they have increased the load by 100,000-150,000 kw compared with that in the same period last month.

Electricity output in the first five months of this year was 150 million kwh more than in the like period last year.

The Pukchang thermal power complex boosted electriity output 5.8 percent last month above the corresponding month of last year. This month, it is topping the daily quota by 9,000 kwh.

The Chongjin thermal power plant lifted production by 100,000 kwh in the first 15 days of this month above that in the same period last month by placing the operation of boilers on a more scientific basis and increasing the capacity of each generator.

The Kanggye youth power station, the Pujongang power station, the March 17 power station and other hydraulic power stations in the country are operating each generating unit at full capacity and raising the efficiency of the water wheels, thus keeping production on a high level.

The Jangjagang power station has topped the plan by 80,000 kwh in recent ten days.

Regional Institute Issues Bulletin on Chuche

SK1606110993 Pyongyang KCNA in English 1003 GMT 16 Jun 93

[Text] Pyongyang, June 16 (KCNA)—The Asian Regional Institute of the Chuche Idea issued its bulletin "Era of Chuche" No. 42.

The bulletin introduces "10-point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" advanced by the great leader President Kim Il-song.

Carried in it is "On the Fundamentals of Revolutionary Party Building", an immortal classical work of the dear leader Comrade Kim Chong-il.

The bulletin edits "Kim Chong-il, Genius of Thought and Theory", "Lively Youth Organization", "Korean Intellectuals Meeting Held Grandly" and other articles.

Yi In-mo Receives 10,000 Gifts Since Repatriation

SK2006090793 Pyongyang KCNA in English 0834 GMT 20 Jun 93

[Text] Pyongyang, June 20 (KCNA)—Korean people show eager zeal to help in an early recovery of the health of the incarnation of faith and will, Yi In-mo, a former war correspondent of the Korean People's Army, praising him and wishing him bliss.

According to data available, nearly 10,000 pieces of gifts of over 600 kinds including silk banners, paintings, sculptures, embroideries, clothes, beddings and tonics have been sent to Yi In-mo from all parts of the country in over 90 days since he returned to the socialist motherland on March 19.

The gifts came from commissions and ministries of the Administration Council, central organs, industrial establishments, cooperative farms, schools, hospitals, people's army units, workers, farmers, intellectuals, soldiers, students and people of other social standings.

The gifts are imbued with deep respect and love of the entire people for the indomitable person who has returned home triumphantly after fighting against the enemy for scores of years in South Korea where treachery and fascism hold sway.

Gifts also came from Koreans overseas and foreigners.

KCNA Reviews Pyongyang Dailies for 23 Jun

OW2306081893 Pyongyang KCNA in English 0433 GMT 23 Jun 93

[Text] Pyongyang, June 23 (KCNA)—NODONG SINMUN today conveys the news that foreign mass media reported the speech made by the great leader President Kim Il-song at the banquet he gave in honor of His Royal Highness Crown Prince Maha Wachiralongkon of the Kingdom of Thailand.

"10-point Programme of the Great Unity of the Whole Nation for the Reunification of the Country," a classical work of President Kim Il-song, was disseminated and studied in different countries, reports the daily.

It rounds up voices of South Korean people highly praising President Kim Il-song who put forward the 10-point programme of the great unity of the whole nation.

Under the title "His Excellency President Kim Il-song is a Legendary Hero" the daily carries news that foreign papers widely introduced his greatness and advantages of our-style socialist system.

Papers run editorials and articles calling for accelerating the reunification of the country by the driving force of the nation on the lapse of 20 years since President Kim Il-song clarified the five-point policy of national reunification.

Appearing in the press is news that the dear leader Comrade Kim Chong-il sent rare animals to the central zoo in Pyongyang.

It is reported in the press that relay race columns for conveying loyal letters to President Kim Il-song and Comrade Kim Chong-il are leaving local towns for Pyongyang on the occasion of the 40th anniversary of the victory in the war, the day of the second liberation.

An article of NODONG SINMUN deals with the wise leadership of President Kim Il-song and Comrade Kim Chong-il in stepping up the construction of modern power bases in northern industrial area of the country.

MINJU CHOSON comes out with an article headlined "Benevolent Politics of the Party is Required for People's Power To Fulfil its Revolutionary Duty."

Given in the press is a report about the sojourn of his royal highness crown prince of Thailand in Korea.

Econews of the press includes reports about well tending of paddy and non-paddy fields on cooperative farms of the country as demanded by the chuche method of farming and about the three-stage tramway project of Pyongyang progressing at a fast tempo.

Papers introduce achievements made by ship-builders on the occasion of the day of shipbuilding industry (June 23).

Papers run commentaries on the South Korean authorities' provocative "Ulchi 93" war exercise against the north.

Included in South Korean news columns of the press are reports that the former chief of the "Unified Youth Corps," a subsidized organisation of South Korea, exposed the suppression of the movement for democratisation by the "Security Planning Board" and the South Korean Democratic Party urged the former dictators to clarify the truth behind the "December 12 coup" in 1979.

Carried in the press are words of foreign public figures highly praising Korean-style socialism.

Papers give an account of functions held in different countries on the occasion of the 40th anniversary of the victory of the Korean people in the war.

Papers report that the Iranian president reaffirmed support to Lebanon, an emergency summit of Central American states was held and foreign ministers of the ASEAN reassured respect to the territorial integrity of Cambodia.

NODONG SINMUN prints a testimony of Korean woman Chong Song-myong, a victim of the "comfort women for the army," at a working group meeting on modern-style slaves of the UN Commission on Human Rights, laying bare the old Japanese Army's atrocities against Korean women.

South Korea

North Postpones Response to South Proposal

SK2306034993 Seoul KBS-1 Radio Network in Korean 0317 GMT 23 Jun 93

[Text] The North-South working-level delegates' contact slated for tomorrow [24 Jun], have become difficult, because the North Korean side has withheld expressing its position. North Korea notified our side via the direct telephone link in Panmunjom, that it will express at a later date its position toward the telephone message sent by our side's government yesterday.

North Korea's insistence on only discussing the issue of exchanging special envoys at working-level contacts is interpreted to be a refusal to accept our side's proposal to discuss both the issue of exchanging special envoys as well as the nuclear issue. The government had sent a telephone message clearly expressing its position on realizing the exchange of special envoys, and had proposed that a working-level contact be held tomorrow to discuss the issue of exchange of special envoys and the nuclear issue.

'Officials': North Dam Still in Initial Stages

SK1806091393 Seoul YONHAP in English 0840 GMT 18 Jun 93

[Text] Seoul, June 18 (YONHAP)—North Korea's Kumgansan Dam, which the government of President Chon Tu-hwan predicted would be completed in one or two years from the start of the Peace Dam construction in the South in 1986, is not much beyond the initial stage seven years later, officials said Friday. It was the Kumgangsan Dam, being built 12 kilometers North of the demilitarized zone in Kangwon Province, that created a scare in the South of a North Korean flood attack and prompted President Chon's government to build the Peace Dam to contain the threat.

South Korean Government officials said Friday that North Korea apparently had mobilized a large military force to transport cement and construction materials to the Kumgangsan Dam this year. As of the beginning of this month, construction work for underground water passages for hydroelectric generation was finished about 50 percent, the officials said.

North Korea postponed the target date for the completion of the dam to mid-1990s after finishing the first stage of construction in July 1989, but all it managed since was building 45 kilometers of underground waterways, the officials said. In early 1992, North Korea completed the construction of an embankment that could contain some 300 million tons of water, but part of the wall was believed to have been washed away because of floods in the area last summer, the officials said.

Vessels Begin Carrying Cargo Between North, South

SK2306022293 Seoul YONHAP in English 0130 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—Two foreign-flag vessels chartered by a South Korean shipping company have started carrying cargo between South and North Korea amid expectations for resumed inter-Korean economic cooperation following Pyongyang's decision to remain in the Nuclear Nonproliferation Treaty (NPT). Samsun Shipping Corp. operates the freighters, one registered in Honduras and the other in St. Vincent and the Grenadines, between Inchon in the South and Nampo in the North once a month.

The first sailing was on June 6. One vessel departed Nampo on June 18, carrying 1,800 tons of zinc and other goods, while the other was loading in Nampo on Wednesday. A locally incorporated overseas subsidiary of Samsun chartered the vessels for 30 months and Samsun reported to the Korea Maritime and Port Administration and was given permission to operate them between Inchon and Nampo. The vessels will carry mainly farm products and zinc from Nampo to Inchon, but will have little to carry in the other direction, according to a company spokesman.

Seoul To Work To Disprove Steel Dumping in U.S.

SK2306045093 Seoul YONHAP in English 0256 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—The Trade, Industry and Energy Ministry said Wednesday that it would try its best to produce negative injury findings on Korean steelmakers by the U.S International Trading Commission (ITC). The U.S. Commerce Department laid final dumping margins as high as 17.88 percent on Korea's Pohang Iron and Steel Co. [Posco] and other exporters Tuesday.

The ITC goes into investigation and determines by Aug. 4 whether Korean imports have caused injury to the American industry. With an affirmative finding, the U.S. Customs Service will collect anti-dumping and contervailing duties equal to the Commerce Department's final dumping rates.

Korea will closely cooperate with other countries that were saddled with high anti-dumping tariffs by the United States to complain and seek some settlement at the 13th Multilateral Steel Agreement (MSA) negotiations that start on July 7, a ministry spokesman said. It is cautiously considering to take the issue to the General Agreement of Tariffs and Trade (GATT), he said.

The government will argue that the Korean hot-rolled sheet was not sold on the U.S. market but supplied to UPI [expansion unknown], a joint-venture of Posco and USX [expansion unknown]. It will point out because Korean steelmakers came under suspicion of dumping during the Voluntary Restraint Agreement (VRA) period for steel exports, they couldn't have caused any harm to the U.S. industry, the spokesman said.

The ministry will write down its argument and send it to ITC and American steel companies. It will quote a white paper to be read during the ITC hearing on June 29 by a U.S. research institute that says the troubles of the U.S. steel industry were not caused by imports but by its own structural problems. It will seek joint measures with Japan and the European Community.

Embassy Official on U.S. Tariffs

SK2306012593 Seoul YONHAP in English 0105 GMT 23 Jun 93

[Text] Washington, June 22 (YONHAP)—The U.S. Commerce Department slapped anti-dumping tariffs as high as 17.8 percent on South Korean steelmakers, but lowered the punitive charges on Korea's major steel export, hot-rolled sheet, in its final determination on Tuesday. It found dumping margins of 8.19 percent on Korean hot-rolled sheet, 14.53 percent on cold-rolled sheet, 17.88 percent on galvanized sheet, and 7.87 percent on carbon plate.

The figures compare with preliminary findings of 22.2 percent on hot-rolled sheet, 12.73 percent on cold-rolled, 3.28 percent on galvanized, and 4.72 percent on plate. "Although the margins on hot-rolled goods are much lower, they are still worrisome," an official at the Korean Embassy said. "We will do our best to win a not-guilty verdict in the International Trade Commission [ITC] hearing."

The ITC will determine whether Korean exporters threatened or damaged American industry by selling products at unfair prices late next month. The margins become final and duties will be collected accordingly if the commerce department's charges are upheld.

Washington also decided final countervailing duties at 4.64 percent on Korean hot-rolled sheet, 3.76 percent on cold-rolled sheet, 2.34 percent on galvanized sheet, and 3.46 percent on plate, compared with preliminary rates of between 5.51 percent and 2.93 percent last November. The countervailing tariffs are imposed to offset government subsidies for Korean exporters. The steel conflict began with major American steelmakers filing dumping suits against Korea and 18 other countries on June 30 last year.

The U.S. Government took punitive measures on Korean and other foreign steel exporters for government subsidies and selling goods at less than cost price on the U.S. market last January. Korea's steel exports to the North American country amount to 700 million U.S. dollars a year.

Beef Trade Talks With U.S. Open in Seoul 22 Jun

SK2306011893 Seoul THE KOREA TIMES in English 23 Jun 93 p 8

[Text] While livestock breeders were staging a silent rally against U.S. pressure to open the local market in front of the Second Government Office Complex that houses economic ministries in the southern Seoul suburb of Kwachon, Korean and American officials opened two days of beef trade talks yesterday. They were to settle one-year-old issues of Korea's import quota, improvement of a simultaneous tender system and the timetable for import liberalization.

Soon after a brief opening ceremony, chief Korean delegate Kim Tong-tae, director general of livestock affairs at the Agriculture, Forestry and Fisheries Ministry, and his counterpart Peter Collins, director for Korean affairs at the U.S. Trade Representative Office had dialogue at Kim's office. American negotiators called for the complete opening of the Korean beef market by 1997, expansion of a simultaneous buy and sell [SBS] system to supermarkets and large restaurants and sharp increases in its quotas for this and next two years, according to officials present at the session. They seemed more aggressive ahead of U.S. President Bill Clinton's visit to Seoul early next month, one Korean negotiator said.

The Korean negotiators largely adhered to their long-standing position, vowing to fully open its market or live up to the General Agreement on Tariffs and Trade by 1997, gradually give access to large retailers to the SBS and set the quota at 99,000 tons for this year and raise it by 5 percent for the coming years. Korean officials have also come under pressure by local stock breeders to protect the home market.

About 300 men and women from the National Livestock Cooperatives Federation and related organizations urged the administration not to comply with the U.S. demands in outdoor rallies and advertisements carried by some newspapers in their Monday editions. In the previous Washington extended to 10 days, the two sides produced a broad accord on the sticky issues but failed to document their outcome as "Washington attempted to add new requirements to an agreement" in the final stage, officials said.

Under the interim accord, Seoul would import no less than 99,000 tons of beef this year, 104,000 tons in 1994 and 109,000 tons in 1995 and raise the amount of quality beef traded through the SBS to 10 percent of the quota for this year, 15 percent for next year and 27.5 percent for 1995, from the 7 percent allowed for 1992. It promised to entitle the Beef Processing Association and restaurants to participate in direct tenders in 1994 and some 400 supermarkets by 1995.

Kim Meets U.S. Commander of Combined Forces

SK2206074393 Seoul YONHAP in English 0647 GMT 22 Jun 93

[Text] Seoul, June 22 (YONHAP)—President Kim Yong-sam received a courtesy call from Gen. Gary Luck, new commander of the Korea-U.S. Combined Forces Command, at Chongwadae on Tuesday afternoon. Kim, while expressing worries about the military threat posed by North Korea, presented the American general with a swagger stick and urged him to further develop the Korea-U.S. combined defense posture against the threat. At the same time, the president expressed his appreciation for the U.S. Forces stationed in Korea for their contribution to deterring war on the peninsula and to maintaining security in Northeast Asia.

Australia's Keating Continues Visit to Seoul

Countries Sign Technical Pact

SK2206012593 Seoul YONHAP in English 0040 GMT 22 Jun 93

[Text] Seoul, June 22 (YONHAP)—South Korea and Australia signed an arrangement on industrial technology cooperation Tuesday. Pak Un-su, first assistant secretary to the trade, industry and energy minister, and Australian Ambassador Darren Gribble signed the arrangement, proposed at the second Korea-Australia forum in April 1991.

The arrangement says that both countries will try to commercialize information, semiconductor, energy, resources and food processing technologies. Australia has a superiority in such fields. With the signing, economic cooperation between the two nations was expanded from goods trade to industrial technology exchange and cooperation. They will hold joint conferences and send research teams for building a close cooperative relationship.

News Agency Agreement Signed

SK1806020693 Seoul YONHAP in English 0037 GMT 18 Jun 93

[Text] Seoul, June 18 (YONHAP)—Lee Casey, chief executive of Australian Associated Press, arrived in Seoul on Thursday at the invitation of YONHAP News Agency President-publisher Hyon So-hwan. Casey, accompanied by editor-in-chief Peter Brown and executive director Greg Holland, will sign an agreement on news exchange with YONHAP on June 21 and discuss specific ways of cooperation. It will be the first time that media organizations in Korea and Australia have signed an agreement on news exchanges.

Kim Yong-sam, Keating Meet

SK2106025093 Seoul YONHAP in English 0151 GMT 21 Jun 93

[Text] Seoul, June 21 (YONHAP)—South Korea and Australia jointly called for upgrading the Asia-Pacific Economic Cooperation (APEC) to the presidential level and for stronger bilateral trade relations in a summit Monday. Australian Prime Minister Paul Keating, meeting with Korean President Kim Yong-sam, promised continued support for Seoul's position in dealing with the North Korean nuclear problem, calling it a threat and challenge to Asia-Pacific and the world, officials said.

Keating arrived Sunday for a four-day official visit. He and Kim agreed to establish a Korea-Australia joint economic committee to negotiate overall trade and economic issues as part of efforts to encourage investment and highlight complementarity, the officials said.

Seoul recorded a 2 billion-U.S.-dollar trade deficit with Australia last year. The two leaders also agreed that the four-year-old APEC, pushed strongest by Australia during inception, should be upgraded to a summit among members, they said. The regional body is usually attended by foreign or trade ministers from the 15 parties. Kim asked for wider cultural exchanges between the two countries and for the cooperation of the Australian government in settling Korean immigrants there.

Keating on Asia-Pacific Issues

SK2106140993 Seoul KBS-1 Television Network in Korean 1235 GMT 20 Jun 93

["KBS Special Interview" with Paul Keating, Australian prime minister, by Kim Kyong-won, former ROK ambassador to the United States, at the Australian prime minister's office in the parliamentary building in Canberra, Australia; date not given; Kim and Keating remarks are in English translated from Korean subtitles]

[Excerpts] [Kim Kyong-won] First of all, I would like to thank you for giving us the time for the interview out of your busy schedule. The first question I want to ask you is what is the main purpose of your forthcoming visit to Korea?

[Paul Keating] Among others, I would like to meet President Kim Yong-sam and the people of the various departments of your government to exchange views on the issues of common interest. Having a first-hand look at Korea is the most important objective of my visit to your country. Regional security, trade, plans to promote investment, and the reformation of the international trade system will be among the subjects of discussion during my visit. In particular, we will discuss together the development plan of the Asia-Pacific region. [passage omitted]

[Kim] Australia has taken the leading role in creating the Asia-Pacific Economic Cooperation [APEC] process. And this year, particularly, as the APEC will meet in Seattle, many people feel that this could turn out to be a very critical transition point. Do you believe that there can be meaningful progress for the road that APEC has been traveling? If there is going to be progress, what kind of progress do you hope for?

[Keating] Australia wishes APEC will continue to develop as an institution for regional cooperation and exchange of information. On a short-term basis, I hope APEC members will form an extensive regional bloc implementing the principles of free trade. In fact, APEC is implementing the principles of free trade by lowering the trade barrier among member states, not to mention the exchange of information among them. Another important significance of APEC is that it is an institution that can show continuous progress and success. The United States has also shown considerable interest in APEC. However, if APEC stops growing and developing, the United States will lose interest in it. The Seattle APEC conference may well adopt a grand agenda of further liberalizing and balancing trade among member states. And there is some possibility that the conference will be attended by the leaders of the APEC member states, thus providing an opportunity to strengthen the political authority of APEC. [passage omitted]

[Kim] You said earlier that you would discuss the issue of regional security with Korean leaders.

[Keating] In think it is very beneficial to listen to the views of the leaders of various countries concerning the regional security situation. In this respect, I would like to know what President Kim Yong-sam and the Korean Government think about regional security. It is important to know precisely where the threat to security comes from. But it is also important to be aware of the overall change in situations. The cold-war era of a bipolar system has come to an end. Nevertheless, regional tensions are more conspicuous than before. A typical example is the Gulf region. As you know, the Asia-Pacific region is relatively peaceful compared with other regions of the world. The characteristic of the Chinese military power's confrontation with Russia in the East Asia, its influence on the surrounding region, Korea-China relations, Korea-Japan relations, and Japan-China relations reflect the security strategy of the countries. This will help complement the existing security relations of the countries, including Australia, with their traditional allies, such as the United States. President Kim Yong-sam and the Korean Government will appraise the regional security in this perspective, I think. Korea's assessment of security matters is a matter of important concern for Australia. [passage omitted]

[Kim] Australia took a very strong lead in the International Atomic Energy Agency to demand international inspection of the North Korean nuclear sites. North Korea refused to receive inspections and threatened to get out of the Nuclear Nonproliferation Treaty [NPT]. But recently, as a result of their talks with the United States, the North Koreans announced that they are suspending their decision to withdraw from the NPT. What is your judgment on this matter?

[Keating] I welcome the North Korean decision to suspend its withdrawal from the NPT. If it had withdrawn from the NPT, sanctions, such as a trade embargo, would have been taken. I think that North Korea must know that the world is a narrow society. What happens in one country affects the neighboring countries. Therefore, I think that North Korea had better remain an NPT member and receive proper and reliable international inspections. [passage omitted]

[Kim] As for regional security in the Asia-Pacific region, we cannot discuss it without reference to the United States. The United States is not an Asian nation. It is on the other side of the Pacific, but it is essential to the equilibrium, to the balance of forces within the region. [passage omitted]

Some countries must be worrying that the United States may pack and go home, pulling out of East Asia. What is your opinion of it?

[Keating] I doubt that. Even if the U.S. troops are withdrawn from Subic Bay or other bases, it does not mean that the United States has changed its strategic concept. As it often says, the United States can control its fleet from Honolulu and San Diego. We know that the United States wants to be an active member in the Asian region, such as through APEC as well. I think it is good for Australia and Korea, as well as the United States itself, to have the United States actively participate in this region, that is, to have the largest democratic state of the world participate as a member in the organization like APEC. [passage omitted]

Keating Urges Security Dialogue

BK2206071893 Melbourne Radio Australia in English 0500 GMT 22 Jun 93

[Text] Australia's prime minister, Paul Keating, says economic ties with Asia coincide well with increasing awareness of the need for more regional security dialogue. A political correspondent, Graham World, reports that Mr. Keating today visits the heavily fortified demilitarized zone between North and South Korea.

[Begin recording] [World] Mr. Keating favors closer security dialogue in the Asia-Pacific and he has welcomed the increasing support for that process.

[Keating] Australia recognizes continuing uncertainty [in the] security situation on the Korean Peninsula. More widely in the region, a general trend toward a more favorable security outlook is tempered by increased fluidity in strategic affairs.

[World] Mr. Keating also says the Asia-Pacific region as well as Australia must work out its destiny. He believes progress is being made.

[Keating] These efforts are now finding expression in an increasingly confident and independent view of Australia's national identity. Our broad debate about the institutional forms and symbols of our nationhood reflects this. [end recording]

Telecom Joint Venture With Posco

BK2306060193 Melbourne Radio Australia in English 0500 GMT 23 Jun 93

[Text] Australia's prime minister, Paul Keating, today heads for China from South Korea. After overseeing the signing of a joint venture involving Australia's overseas telecommunications carrier, Telstra. Graham World, who is travelling with Mr. Keating, reports that the agreement involves a subsidiary of one of the world's biggest iron and steel companies, Posco.

[Begin World recording] Telstra, previously known as OTC, will use the Korean-based joint venture company to provide value added telecommunications services to the region. Services such as electronic data interchange and electronic funds transfer.

Mr. Keating is visiting the Posco headquarters and will welcome the joint venture in line with his efforts to present Australia as a ready supplier of technology expertise to the Asia-Pacific region. [end recording]

Exports to PRC Showing Signs of Slowing Down

SK1906021893 Seoul THE KOREA HERALD in English 19 Jun 93 p 8

[Text] Korea's exports to China, which had risen at a fast pace since mid-1992, are showing signs of slowdown, government and company officials said yesterday. Figures released by the Ministry of Trade, Industry and Energy show that the nation's shipments to China amounted to $406 million last month, down 22 percent from $521 million in April.

Last month's export performance represents a 95.2 percent rise over the same month of last year, but it is the first time since last June that Korea has seen its year-on-year export growth rate falling below the 100 percent level. The year-on-year growth rate was 164.7 percent last year, 146.4 percent in January this year, 163.2 percent in February, 170.3 percent in March and 215.8 percent in April.

In particular, steel products, automobiles and petrochemical items have witnessed a significant rise. Steel and metal exports to China in the first four months of the year surged 323.5 percent over the same period last year, while automobiles saw a 296 percent increase, the ministry said.

The decrease in the growth rate is attributed to the fact that the value of car exports dropped sharply to $51 million last month from $145 million in the previous month. Petrochemical exports also declined from $452 million to $32 million, ministry officials said. The sluggish export of cars may be related to Chinese authorities' crackdown on crime and corruption, business sources said.

An official with Samsung Co., one of the nation's largest general trading companies, said, "Exports to China, which peaked in April, nearly removed last year's inventory, and the so-called off-season for trade is now setting in." He noted that the decline in the growth rate is partly attributable to the depreciation of the yuan. The rate of the Chinese currency against the dollar declined from 7.8 yuan in January to 10 yuan last month.

Korea's exports to China accounted for 60 percent of the total overseas shipments made in the first four months of the year and contributed to invigorating the nation's sagging trade industry, industrial analysts said. An official with the ministry's Northern Trade Policy Division dismissed fears that the Chinese Government's attempts to cool down its overheated economy could cause a slump in Korean exports. An export boom to China will continue for the time being as China turns from Japan to Korea for semi-finished items and capital goods because of the appreciation of the yen, business officials said.

Seoul Urges Correction of PRC History Textbooks

SK2306082693 Seoul YONHAP in English 0636 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—South Korea hopes to begin negotiations with China to correct its record on Korea in school textbooks within this month, Foreign Ministry officials said Wednesday. The Korean Education and Development Institute (KEDI) is soon to finish a review of new Chinese textbooks that will be distributed to elementary and high schools from September and start talks with Beijing officials on revisions, they said.

Korean officials are especially keen to set the record straight on the Korean war (1950-1953), which China states was "an invasion of Korea by the imperialist United States," and the establishment of the first South Korean Government, which it calls "a puppet government of the United States." China supported communist North Korea during the war and claims that the battle was provoked by South Korea's aggression.

Negotiations on the corrections will not be complete before September and part of the new textbooks will have to be left for distribution without the revisions, officials said. Once the two sides agree on changing the records, China will have to modify some 300 million to 400 million geography, history and national history textbooks.

Seoul wants to include a clause in its cultural cooperation pact with Beijing, to be formally signed this year, that says the two sides agree to work together on redressing the textbook records, but one official said the work would be "gruesome" because of "fundamental differences in how the two countries see the past." The government will seek civilian support in the revision task, starting with a South Korea-China joint seminar July 26-Aug. 1, the officials said.

Forestry Office To Purchase Russian Helicopters

SK2006105593 Seoul MAEIL KYONGJE SINMUN in Korean 19 Jun 93 p 16

[Text] Russian-made helicopters are briskly introduced into domestic markets for civilian usage. In particular, all four companies—Daewoo Heavy Industry, Halla Heavy Industry, Lucky-Gold Co. Ltd, and CRT America Company which participated in the Office of Forestry's bidding for the purchase of helicopters to prevent mountain fires—plan to introduce Russian- made helicopters. Thus Russian-made helicopters will be introduced to the ROK for the first time.

According to the Office of Forestry, Daewoo Heavy Industry plans to introduce Russian-made M1-17 helicopters; Halla Heavy Industry plans to introduce Russian-made M1-8 helicopters; and Lucky-Gold Star Co. Ltd and CRT America Company plan to introduce Russian-made (Kamov) KA-32 helicopters. The Office of Forestry will purchase two helicopters worthy of $5 million for the prevention of mountain fires. Because the price of Russian-made helicopters is lower than that of helicopters made in Western countries, including the United States and the European Community, all companies which participated in the Office of Forestry's bidding for the purchase of helicopters plan to introduce Russian-made helicopters.

The Office of Forestry revealed: In participating in the Office of Forestry's bidding for the purchase of helicopters, Daewoo Heavy Industry and Halla Heavy Industry plan to introduce Russian-made helicopters in their own name; Lucky-Gold Star Co. Ltd plans to introduce Russian-made helicopters under the name of its London overseas cooperation; and CRT America Company plans to introduce Russian-made helicopters under the name of Chungwon Electronics. The Office of Forestry will go over the technology of Russian-made helicopters within this month and will submit relevant papers to the Office of Supply. If possible, the kinds of Russian-made helicopters to be introduced into domestic markets will be decided early next month.

Russia's Aluminum Interest Payment To Arrive 23 Jun

SK2306073293 Seoul YONHAP in English 0532 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—Russia has notified the South Korean Government that a ship carrying 5,690 tons of aluminum ingots worth 6.4 million U.S. dollars, part of its interest payments for Korean loans, will arrive in Pusan on Wednesday [23 June] afternoon, the Finance Ministry said. The shipment, the second of its kind, is designed to pay off interest on Korean Bank loans for the months of May through November 1992, the ministry said.

The first ship, with 5,440 tons of aluminum ingots worth 6.2 million dollars, arrived in Korea on June 11. When the accounting of the second shipment is settled, the interest Russia owes Korea on the bank loans will be reduced to 85.8 million dollars, ministry officials said.

Exports to Japan Rise Due to Strong Yen

SK2306021193 Seoul YONHAP in English 0117 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—Exports to Japan of iron, steel, and petrochemical products, electronic home appliances and semiconductors are increasingly rapidly thanks to the strong yen, officials at the Trade, Industry and Energy Ministry said Wednesday.

Export performance in the areas was dull until early this year.

Korea exported 109 million U.S. dollars of iron and steel products to Japan in January, down 5.4 percent from the same period a year earlier.

It has sold more than 120 million dollars worth of the products a month since February, when the yen began to appreciate.

In February, exports increased to 120 million dollars, up 15 percent, rose to 125 million dollars in March, up 6.8 percent, 120 million dollars in April, up 9.7 percent, and 125 million dollars in May, up 12.2 percent, according to the officials.

Exports of petrochemical products dropped to 19 million and 16 million dolllars in January and February, down 2.1 percent and 4.5 percent from the corresponding months a year earlier, respectively.

Exports increased to 25 million dollars in March, down 2.5 percent, and to 20 million dollars in April and May, registering an increase of 54 percent and 53.2 percent each.

Exports of electronic home appliances amounted to 48 million dollars in January and February, down 3.7 percent and 1.4 percent, but soared to 54 million dollars in March and April, up 1.6 percent and 8.1 percent, each.

In May, exports amounted to 46 million dollars, up 32.6 percent.

JSC Conducts Exercise Using War Game Model

SK2306081693 Seoul YONHAP in English 0523 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—The Joint Chiefs of Staff [JCS] conducted a small command post exercise at the Korean Institute for Defense Analysis (KIDA) on Wednesday using the joint theater level simulation [JTLS] method, a war game model jointly developed by the Joint Chiefs of Staff and KIDA. JTLS is an indigeneous model successfully developed early this year by Korea with the participation of 15 KIDA researchers who had worked on it since 1990. Though based on a basic war game model provided by the United States, JTLS is expected to contribute to setting up a Koreanized war game system in preparation for complicated future warfare using communications, electronics and hi-tech weaponry.

Kim's Efforts To Improve Military Ties Viewed

SK1906093793 Seoul TONG-A ILBO in Korean 17 Jun 93 p 4

[By correspondent Ha Chun-u]

[Text] A 16 June meeting of key commanders of the military service branches draws our attention because kingpins who will take charge of national defense along with Kim Yong-sam's government, were on hand.

Since he took office, President Kim Yong-sam has taken actions of reshuffling key commanders of major military units. The actions include the castration of informal groups in the Army—Hanahoe and the Army's Ninth Division Officers Group—measures to place on the reserve list those involved in the 12 December lower ranking military officer's revolt against their seniors and those implicated in bribe-taking in connection with officers' promotions, and the shake-up of the Army, Navy, and Air Force chiefs of staff. These measures enabled President Kim to consolidate his position as supreme commander of the ROK Armed Forces.

From the beginning of this year, the National Defense Ministry has held three meetings of the key commanders of the service branches. The previous two meetings were held to educate the participants on the new government's reform measures and audit and inspection drive. These two meetings were tantamount to an emergency action aimed at properly spreading the government's reform drive among all members of the military because many generals who cannot coexist with the present government were present at the meetings.

The third meeting held on 16 June, however, can be defined as a meeting making clear the military-government partnership because a large majority of participants consisted of commanders appointed by the president himself. President Kim held a banquet for the commanders above lieutenant general who participated in the third meeting chaired by Defense Minister Kwon Yong-hae. This reflects the third meeting's nature.

The president's meeting with key commanders seems to have conveyed his message he hopes that the military leadership will be reborn not as a target of the audit and inspection but as a main force of reform.

This means that as long as military generals do not cause unexpected accidents or do not bring on public criticism, he will not reshuffle them in terms of the reform drive.

Defense Minister Kwon Yong-hae led the meeting in a soft atmosphere by asking the participants about follow-up measures in connection with the opening of beaches around military units to the public, the progress of the Military Academy barracks project, and others.

Minister Kwon's gesture can be interpreted as a move intended to indicate that military-government relations are not strained.

Perhaps being mindful of the negative effect caused by the government's recent audit and inspection spell, Minister Kwon said: "We cannot deny the fact that our Armed Forces' morale and unity were hurt in the course of the reform drive." As defense minister, remarks of this nature are probably ones that he must have hated to voice.

Minister Kwon added: "I strongly hope that this will mark a meaningful meeting for fulfilling the responsibilities given to us by devoting everything within our power." He then instructed the participants to take a perfect posture for practical readiness.

Minister Kwon demanded through his instruction that the Armed Forces be reborn as those which fulfill their intrinsic mission by starting from a nightmare of audit and inspection.

Minister Kwon's message conveys his intention that the Armed Forces should promote "Reform amid stability" while establishing values becoming the new era to surmount the people's negative opinions about the Armed Forces' independent and neutral stance, eradicating irregularities within barracks, and correcting slack military discipline and unreasonable systems and practices.

The National Defense Ministry attempted to bring the deadlock to an end based on its judgment that the time has come when it should soothe the military's complaints and ease the people's anxiety about military unrest.

The probe into the Yulgok project is being finalized and the military shake-up has already come to an end. Therefore, the issues which are likely to cause military unrest no longer exist. The people's awareness of national security is being enhanced on the anniversary of the 25 June Korean war. At this juncture, the military authorities might have keenly felt the need to show the people their newly-changed image.

It was learned that Minister Kwon offered President Kim his advice on the civilian government's need to raise the Armed Forces' morale before Minister Kwon took office. It is believed that President Kim reflected Minister Kwon's advice by holding the banquet for military generals.

With the third meeting of key commanders from the service branches, the National Defense Ministry is likely to show the people that the Armed Forces are faithfully carrying out their intrinsic mission and to begin improving relations with the people.

Ex-Generals Petition for Ex-Presidents' Trial

SK1706031893 Seoul YONHAP in English 0122 GMT 17 Jun 93

[Text] Seoul, June 17 (YONHAP)—Some retired generals have started collecting signatures on a petition that demands criminal charges be brought against former Presidents Chon Tu-hwan and No Tae-u and other active participants in the 1979 Army affair.

On Dec. 12, 1979, Chon and No grabbed military power, removing some senior Army officers in a bloody shootout. Chon used the incident as a stepping stone to the presidency.

A spokesman for Retired Army Gens. Chang Tae-wan and Kim Chin-ki, who opposed the power grab and were removed from their posts shortly afterward, said Thursday that it was "an act of military rebellion to usurp power of the state" and that when the petition drive was over they would file lawsuits against Chon, No and 28 other active participants on charges of treason.

Meanwhile, 32 retired generals are to call for a fact-finding probe of the incident and punishment of its leaders at a seminar on Friday.

Army Relieves Lt. Gen. Involved in Blast Incident

SK1706115693 Seoul YONHAP in English 1130 GMT 17 Jun 93

[Text] Seoul, June 17 (YONHAP)—The army on Thursday relieved Lt. General Pae Mun-han, commander of the capital corps, of his duty in connection with the recent blast incident at an army artillery range at Yonchon. Meanwhile, an Inchon man who his family complained was missing since he reported to reservist training along with those killed in the blast incident, was belatedly found on Thursday to have been killed in the same blast [sentence as received]. He was Pak Chin-ha, age 28, of Pupyong 4-tong, Inchon.

Publisher Apologizes for False Report on Minister

SK1906080793 Seoul YONHAP in English 0522 GMT 19 Jun 93

[Text] Seoul, June 19 (YONHAP)—Yi Pil-kon, president of the CHUNGANG ILBO, visited Information Minister O In-hwan on Saturday and apologized for a false report last week on Defense Minister Kwon Yong-hae. Yi asked O to do his best to win the release of reporter Chong Chae-hon, who was arrested on libel charges for writing that Kwon was among those barred from leaving the country in connection with a scandal centering around a military modernization program.

Yi apologized for the article and noted [illegible] it was not intentional. O praised the newspaper [illegible]nowledging its mistake by publishing a corre[illegible] showing its determination to satisfy the [illegible] people to know the truth. He promised [illegible] apology to the government, but [illegible] as the government's [illegible] take the proper respon-

Minister To Withdraw Libel Suit

SK1906115993 Seoul YONHAP in English 1106 GMT 19 Jun 93

[Text] Seoul, June 19 (YONHAP)—Defense Minister Kwon Yong- hae will withdraw a suit on libel charge against CHUNGANG ILBO reporter Chong Chae-hon and other four officials of the daily, ministry spokesman Kim Yong-chol said on Saturday. Chong reported on June 11 that Kwon was among those barred from leaving the country in connection with a scandal centering around a military modernization program, but later on the day CHUNGANG said the report was wrong and made a correction.

However, Kwon filed a lawsuit against reporter Chong and other four officials of the daily, including president Yi Pil-kon, on libel charge and the prosecution arrested Chong on June 14. According to laws concerned, Chong will be released as soon as Kwon withdraws the suit. The Defense Ministry will send its official to the prosecution Sunday for withdrawing the suit.

Reporter Freed After Suit Withdrawal

SK2006061993 Seoul YONHAP in English 0556 GMT 20 Jun 93

[Text] Seoul, June 20 (YONHAP)—Reporter Chong Chae-hon of the CHUNGANG ILBO daily news, arrested on a libel charge, was set free around 1:30 p.m. [0430 GMT] Sunday following the withdrawal of a lawsuit by Defense Minister Kwon Yong-hae. Pak Sonki, chief of the Defense Ministry's legal affairs division, called at the Seoul district prosecutor's office around noon Sunday to withdraw the defense minister's suit.

The charge of libel by publication does not constitute a criminal case if a legal victim wants no punishment of a libeler. Defense Minister Kwon sued reporter Chong and four senior officials of the newspaper on June 12 after the daily erroneously reported that Kwon was among those banned from leaving the country in connection with suspected irregularities over the purchase of military hardware from abroad. The Seoul prosecution, acting on the libel suit, placed the reporter under arrest on June 14.

On Saturday afternoon, Defense Ministry spokesman Kim Yong-chol said the minister decided to withdraw the suit as he believes his tarnished honor has been restored through a series of steps taken by the newspaper such as the printing of an erratum and an open apology and visits to the minister by top officials of the newspaper. "The minister will withdraw the suit also in the hope that the instance will become an occasion for both the press and the military to work harder for national development," the spokesman said.

Seoul Eases Rules on Investing in Socialist Nations

SK1806025293 Seoul YONHAP in English 0055 GMT 18 Jun 93

[Text] Seoul, June 18 (YONHAP)—The government abolished Thursday the preliminary examination regulation on investments in former and current socialist countries by private companies because it has been superseded by bilateral investment protection agreements. The change removes the need for preliminary screening by an ad hoc committee of investments of 5 million U.S. dollars or more, officials at the Economic Planning Board said.

The regulation was intended to minimize investment risks and prevent excessive competition among Korean companies when Korea had no diplomatic relations with the countries. Companies now need only report to the Bank of Korea [BOK] for an investment of less than 5 million dollars, obtain BOK approval for an investment of between 5 million to 10 million dollars and get BOK permission after screening by the overseas investment examination committee for an amount over 10 million dollars.

Hyundai Labor, Management Dispute Continues

Seoul Ready To Take 'Hard Measures'

SK2106043493 Seoul YONHAP in English 0248 GMT 21 Jun 93

[Text] Seoul, June 21 (YONHAP)—The government is said to be cautiously hopeful for negotiations Monday at Hyundai Precision and Industry Co., whose success might quell disputes at other Hyundai affiliates in Ulsan, but ready to take hard measures if there is no solution this week. There is a possibility that Hyundai precision, in its 17th day of an illegal strike, might realize that the police could be sent in and sympathize with the call for pain-sharing to restore the economy, Labor Ministry officials said Monday.

They said the ministry was prepared for the worst as the union at Hyundai Motor Co., the largest of the Hyundai group affiliates, was demanding a pay hike of 16.47 percent and was negotiating in bad faith. Another dark cloud on the horizon is reported preparations for a strike from Tuesday at Hyundai Heavy Industries Co., known for its militant union members, the officials said.

The ministry hoped that its plea for sacrifice to build a new economy, to be issued Monday in the names of the economic planning, trade, industry and energy, and labor ministers, would sway the Hyundai unionists, they said. The three ministers were to hold a press conference after reading the plea. The officials forecast strong government action if the disputes weren't solved this week and said that Hyundai precision was considering closing factories if no compromises came out of the talks this week.

Exports Expected To Suffer

SK2306022693 Seoul YONHAP in English 0148 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—South Korea's exports are slowing on sagging car shipments due to labor disputes at Hyundai Motor Co. and its parts suppliers and China's falling demand for Korean goods. Government and business sources agreed on Wednesday that June's exports would sustain a setback of more than 100 million U.S. dollars from the estimated 7.5 billion dollars owing largely to industrial unrest at Hyundai Motor Co., Hyundai Precision and Industry Co. and other exporters.

Accordingly, the growth of exports would slow from the annualized 7.1 percent of the first five months to below 5 percent in June, they said. Hyundai Motor put its export setback at 46.08 million dollars for the week ended June 21 as its unionists staged an eight-hour stoppage every 24-hour workday. Should the unionists continue that pace of work slowdown, the country's largest car maker would incur an additional setback of 7.7 million dollars a day, on average, bringing the total by end of June to 110 million dollars.

Hyundai Precision and Industry has sustained a container export setback of 16 million dollars since June 8, when a dispute began, and it will increase to 28 million dollars by the end of June if the dispute is not settled. To make things worse, exports to China have been tumbling since the end of May as its currency is depreciating.

Exports to China, which had been moving uphill until April, plummeted 115 million dollars from April to 406 million dollars in May. Business sources said exports to China would continue falling until the exchange value of the reminbi sank to 13 yuan per dollar. The falling yen, due to Japan's political unrest, is another factor discouraging Korean exports, they added.

Disputes Show 'Signs of Subsiding'

SK2306043293 Seoul YONHAP in English 0250 GMT 23 Jun 93

[Text] Ulsan, June 23 (YONHAP)—Labor disputes at affiliates of the country's largest business group, Hyundai, showed signs of subsiding on Wednesday with the active mediation of Labor Minister Yi In-che. Yi arrived here Tuesday afternoon and visited Hyundai Precision and Industry Co., which has been engulfed in disputes for 19 days, and met with labor and management representatives.

Yi met with representatives from Hyundai Motor Co., where production was virtually suspended for the past few days, on Wednesday morning and urged them to hold meetings for a prompt settlement of the disputes. Yi had a lunch meeting with union representatives at which he listened to their demands and exchanged opinions on their problems.

In his meetings, Yi explained the government's will for reforms and efforts for economic rehabilitation, urging them to return work to normal as soon as possible. As a result of these efforts, the disputes at the five Hyundai affiliates are expected to be subdued and the union at Hyundai Precision and Industry is seen to accept within this week calls for it to get back to work first and negotiate later.

The Federation of Hyundai affiliates' Labor Unions abruptly canceled a news conference slated for Tuesday at which it planned to announce a full-scale strike. Federation leaders attended the lunch with Yi. Union and management at Hyundai Motor sat down for their 41st round of pay negotiations in the morning while union negotiators at Hyundai Precision and Industry began to discuss whether to resume talks with management.

Labor Disputes 'Soared' in Jun

SK2306085793 Seoul YONHAP in English 0748 GMT 23 Jun 93

[Text] Seoul, June 23 (YONHAP)—The number of labor disputes has soared in June, jumping 15 percent over the same month last year to 224, labor industry officials said on Wednesday. So far this year, 429 labor disputes were reported, off 43.6 percent from a year earlier.

Acts of dispute such as strikes and lockouts number 58 so far, down 42 percent from 1992, but 24 of them were this month. Hyundai Mipo Dockyard Co. in Ulsan, South Kyongsang Province, has reported the occurrence of a labor dispute. The unions of Hyundai Heavy Industry Co. in Ulsan and Daewoo Shipbuilding and Heavy Machinery Co. on Koje Island have voted to report the occurrence of disputes.

Taejon Expo Venue To 'Show Off' Technology

SK2306083893 Seoul YONHAP in English 0727 GMT 23 Jun 93

[By Pak Pyong-han]

[Text] Seoul, June 23 (YONHAP)—Korea's "technology olympics," officially known as the Taejon International Exposition, will be a venue for over 100 nations to show off their technologies. The leaders of the pack, the industrially advanced countries, are to exhibit their ultra-modern scientific technologies and try to portray themselves as the front-runners in environmental preservation and recycling, while the developing countries have some unique conventional technologies of which to boast.

While 52 countries will get their own pavilions, 60 others will share. As of early June, some 70 countries had submitted detailed display plans, organizing committee officials say. The most eye-catching examples of high-tech products on display will be the cab of an inter-city express (ICE) train and a full-scale mock-up of an airbus in which curious visitors can experience simulated flight and try their hands at the controls of a commercial jetliner, both of them from Germany, plus a digital encyclopedia and an Austrian computer workstation guest book.

Such Russian displays as a life-size model of the Mir space station and the navigation system of deep sea-exploring robots and models of the Tokamak-15, a reactor designed to control nuclear fusion in a plasma of ions and electrons inside a doughnut-shaped magnetic field, and a photobioreactor (FRB-10) are likely to draw no less favor. U.S. space and astronomy technologies will dazzle visitors with their real-time display of current weather conditions around the Korean peninsula through satellite hook-ups. U.S. scientists will create images of space flight under a hexagonal model of the earth suspended 12 meters in the air.

Japan says it will show, and prove, how man, nature and technology can coexist. A computer-controlled garden will show camellia flowers blossoming while radiating light and sound in tune with changes in temperature. A Japanese robot potter will give a demonstration of making ceramics and Asia's biggest economic power will publicize plans for an expo in its city of Aichi in 2005.

As to the environment, attention will be drawn to three films produced in Britain, France and Switzerland. The seven-minute-long British film, titled "Quality," seeks to enlighten viewers of the gravity of the environmental problems that await the world in the next three decades. The French one presents ways of protecting global resources and of lessening urban public nuisances. The Swiss film depicts a spider's web, taking it as a symbol of the ecosystem: fragile, but highly resilient.

While the advanced countries compete with products the technological standards of which are hard to rate, the developing countries are bringing technologies that are peculiar to their economies, cultures and histories. An exception is the host country, Korea, which is going to put on a demonstration of its well-known "can-do spirit"—this time, the lesson is that a developing country can host a big global industrial fair if it is really willing to make the effort.

As such, Korea is planning to display a few high-tech products that it has developed with its own technologies, including a car that runs on the sun's energy and a silent train that hovers above the track. The first, a single-seater solar car with an aluminum alloy frame, uses a nickel-zinc storage battery to drive a 10 horsepower motor. It is 6 meters long, weighs 180 kg and has a cruising speed of 60 kph. It can reach 100 kph, says its manufacturer, Kia Motors Corp.

Hyundai Precision and Industry Co. is contributing to the expo vision of a better tomorrow with a train that floats on a magnetic cushion, providing a hushed and silky-smooth ride. The experimental Maglev train will run for 10 hours a day during the expo at a maximum speed of 50 kph with up to 40 passengers. A company spokesman predicts that Hyundai will be ready to sell a commercial version of the train in 1997 with a top speed of 100 kph, and a 500- kph model by 2001.

China is to launch a rocket carrying a capsule that is designed to return to earth from orbit. India will show green products such as pressed leaf plates, recycled paper, water hyacinth panels and straw boards. Thailand and Sri Lanka will display their conventional jewelry techniques and Peru will exhibit traditional handicrafts.

Opposition Urges Lawmakers, Generals To Resign

SK2206033493 Seoul YONHAP in English 0241 GMT 22 Jun 93

[Text] Seoul, June 22 (YONHAP)—The opposition Democratic Party [DP] said Tuesday that seven lawmakers, 11 army generals and an ambassador have been involved in coups d'etat over years and in the bloody suppression of the democratization movement in Kwangju and called for them to resign. DP policy committee named the lawmakers as Kim Chong-pil, Ku Cha-chun, Ho Hwa-pyong, Ho Sam-su, Chong Tong-ho, Chong Ho-yong, Pak Chun-pyong.

Of the seven, six are members of the ruling Democratic Liberal Party [DLP]. The seventh, Rep. Chong Tong-ho, left the DLP shortly after the disclosure of his assets. "If the government has a true civilian nature, it should reveal all the truth of past coups d'etat and remove everyone involved from official posts," a committee spokesman said.

Burma

Energy Minister, Delegation Return From France

BK2006065693 Rangoon Radio Burma in Burmese 1330 GMT 19 Jun 93

[Text] A Myanmar [Burmese] delegation led by Energy Minister U Khin Maung Thein, which left for France on 7 June to hold discussions on energy matters, returned to Yangon [Rangoon] by air this evening.

The delegation was welcomed at the airport by U Than Shwe, minister of industry-2; U Khin Maung Yin, minister of construction; U Tin Tun, deputy minister of energy; director generals and managing directors of the departments under the Ministry of Energy, responsible personnel from the Ministry of Energy, and Mr. (Sarvay Forkate), commercial attache of the French Embassy.

Health Minister, Delegation Return From Thailand

BK2006142293 Rangoon Radio Burma in Burmese 1330 GMT 20 Jun 93

[Text] A high-level Myanmar [Burmese] health delegation led by Vice Admiral Than Nyunt, minister of health, arrived back by air this evening after studying health activities in Thailand under the Myanmar [Burma]-Thai technical cooperation program.

Vice Adm. Than Nyunt was welcomed at Yangon [Rangoon] airport by Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC]; Lt. Gen. Myo Nyunt, minister of religious affairs; Lt. Gen. Thein Win, minister of transport; Colonel Than Zin, deputy minister of health; Mr. Wirasak Futrakun, Thai ambassador to Myanmar; Dr. (Tom Lubluvich), acting resident representative of the World Health Organization; and responsible officials.

Railways Minister Returns From PRC, ROK Trip

BK2206044193 Rangoon Burma Television Network in Burmese 1330 GMT 21 Jun 93

[Text] A Myanmar [Burmese] delegation led by U Win Sein, minister of rail transportation, returned to Yangon [Rangoon] by air this evening after studying work related to railways in the People's Republic of China at the invitation of the PRC Ministry of Railways.

Minister U Win Sein and his delegation were welcomed at Yangon Mingaladon Airport by U Than Shwe, minister of industry-2; U Soe Tha, minister of communications, post, and telegraphy; Mr. Chong- Hwan Kim, ambassador of the Republic of Korea to Myanmar; and responsible officials from the Ministry of Rail Transportation.

While in China, Minister U Win Sein and his delegation studied the assembly of railway engines and coaches to be purchased by Myanmar Railways. Minister U Win Sein and his party also visited the ROK at the invitation of the Daewoo Corporation and observed railway work.

Minister on 1992 Economic Growth, Politics

BK2306094393 Rangoon Radio Burma in Burmese 0630 GMT 23 Jun 93

[Excerpt] A coordination meeting to assess the transport ministry's 1992-93 activities and to coordinate work projects for 1993-94 was held at 0900 yesterday morning at the meeting hall of Inland Water Transport office on Pansodan Street. Transport Minister Lieutenant General Thein Win attended the meeting and delivered an address.

Lt. Gen. Thein Win said he would like to briefly present the country's important economic and political matters at this year end meeting. He said politics play a vital role in a country's economy in the present era. The minister noted the country has strived for political stability since 1988 and reiterated that the national convention has been reconvened and gradual measures have been taken [to draw the constitution]. Continuing, he briefly explained meeting Chairman Lt. Gen. Myo Nyunt and National Convention Convening Work Committee Chairman U Aung Toe's speeches at the opening of the reconvened national convention. He said matters for discussion on the presidential administration system with different levels of administration and self-administration system for national races were presented at the convention. The minister said everybody knows about the political stability which has been achieved at the present time, adding that it will be five years in three months' time [the State Law and Order Restoration Council took over power in 18 September 1988]. He also remarked that some countries are using various means to politically destabilize our country.

Next, the minister said at the present time when politics and economics are intermingled, work is being done with politics on one side and economics on the other. He then explained briefly about the economic situation citing that last year's economic growth was 10.9 percent, compared with the original target of only 5.6 percent. He noted that economics played a major role in a country and political development can be achieved relative to economic development. [passage omitted]

32 Rohingyas Repatriated From Bangladesh 15 Jun

BK1806145293 Rangoon Radio Burma in Burmese 1330 GMT 18 Jun 93

[Text] In accordance with the coordinated agreement reached between the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, a delegation led by Mr. (Mabi Burasan), camp officials from the other side of the country [Bangladesh], transferred 32 returnees—16 males and 16 females—from seven households to our Kanyinchaung reception center at 1235 on 15 June 1993. The returnees were brought in by two motorboats.

Since the repatriation began on 22 September 1992, a total of 27,209 persons who left the country illegally—13,294 males and 13,915 females—from 6,076 households had been accepted through 15 June.

29 Rebels Return 'to Legal Fold' 1-9 May

BK2206112193 Rangoon Radio Burma in Burmese 0630 GMT 22 Jun 93

[Text] Members of the terrorist insurgent organizations have realized their transgressions. They have accepted the work being undertaken by the State Law and Order Restoration Council [SLORC]. They also have faith in the genuine goodwill of the SLORC. They have given up their armed struggle and are continuously returning to the legal fold, along with their arms and ammunition, at various military camps.

The following is the list of terrorist insurgents who returned to the legal fold at military camps in various military command regions between 1 and 9 May.

Northern Military Command: Privates Zein Hka Tera and Waran Khaung Htay Han from Brigade 2 of the Kachin terrorist insurgent organization returned to the legal fold at the Putao military camp, while Corporal Win Naing alias Yaw Htu and Private Aung Hkun Lawun from Brigade 1 of the same organization returned to the legal fold—along with one BA-64 assault rifle and one M-22 assault rifle—at the In-kyit military camp. Privates Marum Malina and Dailey Marti of the same organization returned to the legal fold at the (Tee-am-tut) military camp.

Southeast Military Command: Squad Leader Thet U alias Ko Thet from Battalion 201 of the ABSDF [All Burma Students' Democratic Front] terrorist insurgent organization returned to the legal fold at the Taung Thonlon military camp, while Privates Sein Minn, Khin Maung Myint, and Than Tar of the same organization returned to the legal fold at the Palaw military camp. Privates Soe Thein and Soe Aye from Battalion 203 of the same organization returned to the legal fold—bringing with them two hand grenades—at the Tagu military camp.

Platoon Leader Maung Win from Brigade 1, Battalion 2 of the Karen terrorist insurgent organization returned to the legal fold—along with one Icon walkie-talkie—at the Peinnegon military camp, while Private Khin Soe alias Kalar of the same organization returned to the legal fold at the Kya-in Seikkyi military camp. Private Pho Yar alias Ohn Hlaing of the same organization returned to the legal fold at the Duyinzeik military camp.

Private Khin Maung Nyunt from white communist faction of the BCP [Burma Communist Party] terrorist insurgent organization returned to the legal fold—along with one hand grenade—at the Tenasserim military camp, while private Thein Lwin of the same organization returned to the legal fold—along with one M-16 assault rifle—at the Htu-aw military camp. Private Kyaw Zwa Win of the same organization returned to the legal fold at the Palaw military camp.

Warrant Officer II Htun Wai from the Mon terrorist insurgent organization returned to the legal fold—along with one pistol—at the A-Hnin military camp, while Sakhami alias Myo Thant from the same organization and having a position equivalent to the secretary of a township returned to the legal fold—along with one revolver—at the Lamaing military camp. Hkun Taw alias Khin Mya, member of a committee of the same organization, returned to the legal fold at the A-Hnin military camp, while Privates Than Zaw and Ye Kyaw Zwa of the same organization returned to the legal fold—along with two AK-47 assault rifles—at the Shwe Ke Nyo military camp. U Aye San, head of office of the same organization, returned to the legal fold—along with a .22 revolver—at the Three Pagoda Pass military camp.

Eastern Military Command: Private Maw U from the red faction of the Pa-o terrorist insurgent organization returned to the legal fold at the Pekon military camp, while platoon leader Sai Sein Hlaing from a splinter group of the Karenni terrorist insurgent organization returned to the legal fold at the BP-13 military camp. Cultural Secretary Sai Sai Maw from the Loi-maw terrorist insurgent organization returned to the legal fold—along with one .38-caliber revolver—at the BP-13 military camp.

Southern Military Command: Private Dekkar alias Than Win from Company 2, Battalion 8 of the Karen terrorist insurgent organization returned to the legal fold at the Pyu military camp, while Private Kaw Khan Khalay alias Myint Lwin of the same organization returned to the legal fold—along with one AK-47 assault rifle, one revolver, one hand grenade, and 111 rounds of assorted ammunition—at the Kyaukkyi military camp.

A total of 29 terrorist insurgents returned to the legal fold during this period. It has been learned that they were warmly welcomed by responsible personnel at the military camps.

Brunei, Malaysia & Singapoe

Malaysia

Sabah Chief Minister Criticized for Salary Raise

BK2006120793 Kuala Lumpur UTUSAN MALAYSIA in Malay 22 Apr 93 p 8

[Editorial: "Self-serving politics in Sabah"]

[Text] The move by Sabah Chief Minister Datuk Pairin Kitingan to raise the salaries of the state's chief minister and deputy chief minister, the speaker, deputy speaker, and members of the State Legislative Assembly, as well as the state's political secretary is a clear example of how power is being abused to serve personal interests. Many people view the decision to raise Datuk Pairin's salary from 7,000 ringgit to 13,000 ringgit (excluding other allowances) as unreasonable.

People are surprised and frustrated to see how Pairin has misused the state budget, which should have been used to finance development projects but has instead been used to strengthen the position of his own PBS [Sabah United Party].

Against the background of an unstable economic and political situation in Sabah, Pairin cannot escape criticism that PBS has clearly abused its power so as to strengthen its position in Sabah.

The increased salary is not on the same level as the salaries of chief ministers in other states, which have more stable economies and have attracted many foreign investors. Prime Minister Datuk Sri Dr. Mahathir himself said the salary increase approved by the Sabah State Legislative Assembly has surpassed the level of other states.

Dr. Mahathir said the decision shows that Datuk Pairin has used the federal government's budget to bribe USNO [United Sabah National Organization] members of parliament because the salary increase does not reflect Sabah's current economic situation. Datuk Pairin cannot deny the fact that the salary increase is aimed at luring USNO members of parliament to join his coalition government.

In this case, we strongly support the action taken by the six USNO members to side with UMNO [United Malays National Organization] so as to continue the struggle for the benefit of the people. The six are the true leaders of the people because they can put aside luxury and personal interests and save Sabah people from money politics and self-serving politicians. Actually, Sabah is now suffering from great losses, especially in terms of development, due to Datuk Pairin's actions, which will worsen the state's economic situation.

If Datuk Pairin believes that his political bribery tactic will weaken UMNO, he is definitely wrong. UMNO will in fact be stronger and more powerful in dealing with Datuk Pairin's political maneuvers in Sabah.

We believe that our people have given the leaders a mandate to rule the country with wisdom and use the natural resources so as to accelerate economic growth, instead of serving their own personal interests.

We must prevent the people of Sabah from being cheated by transitory luxury while in reality the state's economy is under Damocles' sword. We are afraid Datuk Pairin will only bring Sabah into illusory success.

Cambodia

Sihanouk Clarifies Deputy Head of State Issue

BK2206141893 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 22 Jun 93

["Note" by Prince Norodom Sihanouk; dated 21 June—read by announcer]

[Text] A number of Cambodian personalities have asked this question: Can I, His Royal Highness Prince Norodom Sihanouk, not nominate two deputies, first and second deputies head of state? Such an appointment certainly cannot be made because only the constituent assembly—and not the head of state—can do this if it wants to. The posts of first and second deputies head of state were not mentioned in the Cambodian Constitution in the Sangkum Reas Niyum [Sihanouk's former political party] era.

If these two positions are to be created, it should be done within the framework of our country's new constitution. In the Sangkum Reas Niyum era the chairman of the National Assembly automatically became acting head of state in accordance with the Constitution when the head of state was not in the country or was seriously ill.

If in our country's constitution the positions of first and second deputies head of state are created, it is the first deputy head of state who will become acting head of state when the head of state is away. In terms of protocol, in the Sangkum Reas Niyum era, the chairman of the National Assembly was ahead of the prime minister or chairman of the Council of Ministers.

**[Dated] Phnom Penh, 21 June
[Signed] Norodom Sihanouk**

Kong Sam-ol Thanks Sihanouk on Appointment

BK2306001793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Jun 93

[Message of thanks from Kong Sam-ol, vice-chairman of the Council of Ministers, to Prince Sihanouk; issued in Phnom Penh on 21 Jun—read by announcer]

[Text] My humble respects to most worshipped Prince Father:

I am very happy and glad to receive the decree appointing and promoting me to deputy prime minister in charge of the Palace Department and royal household affairs at the Royal Palace in Phnom Penh, Angkor royal residence in Siem Reap, and all of the Prince Father's royal residences throughout Cambodia, and the deputy prime minister in charge of the relationship between the Royal Palace and the national government and assembly of Cambodia.

I would like to express deepest thanks to you for giving me this splendid and high position and rank.

I pledge to make my utmost effort, physically and mentally, in obeying and following the Prince Father's august orders until the end of my life.

I would like to humbly extend best wishes to the Prince Father and the royal consort. May you enjoy Lord Buddha's five blessings—longevity, social prestige, happiness, strength, and enlightenment—so as to always be a cool shade for the Cambodian people.

Most humbly yours

Done in Phnom Penh on 21 June 1993

[Signed] Kong Sam-ol

Khmer Rouge Said Not Seeking Inclusion

BK2306060693 Hong Kong AFP in English 0549 GMT 23 Jun 93

[Text] Phnom Penh, June 23 (AFP)—The radical Khmer Rouge will not seek to be included in Cambodia's interim government, an official of the royalist party FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] said Wednesday. Khmer Rouge nominal leader Khieu Samphan stated his position in a letter Tuesday to Cambodian head of state Prince Norodom Sihanouk, said the official who declined to be identified.

The Khmer Rouge also said they would not oppose the interim government, the details of which are still being negotiated between the winning opposition FUNCINPEC party and the incumbent Phnom Penh government, the FUNCINPEC official said. U.S. Deputy Secretary of State Clifton Wharton, on a one-day visit to Cambodia, said Tuesday that while Washington did not want to dictate to the Cambodian government, the United States and other nations would not look favourably on the inclusion of the Khmer Rouge in a new Cambodian government.

Khmer Rouge participation in the government could also be a barrier to aid. "At the present time, we do not see how it would be possible for the U.S. government to be in a position of providing assistance that might involve the Khmer Rouge," Wharton said.

The Khmer Rouge refused to participate in last month's U.N.-organized elections. But, apart from relatively minor acts of harassment, they did not make any serious attempts to live up to their promise to prevent the polls taking place. In some areas Khmer Rouge soldiers even turned out to vote, reportedly for FUNCINPEC.

'Masses' Warned on Consequences of Foreign Loans

BK2006072793 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 19 Jun 93

[Text] The opinion of the Phnom Penh masses who have voted for the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party is that recently some foreigners met to discuss ways to borrow $60 million to pay for the salaries of the soldiers and policemen of Vietnam's puppets.

The masses say that before the meeting, these foreigners announced to everyone that the agenda of the meeting covered an examination of the situation in Cambodia. However, at the meeting they talked about finding money to help Vietnam's puppet regime. The people say that this is how ringleaders of bad elements behave.

The masses say that they do know about these foreigners. These foreigners are providing money to assist the puppets, traitors to the nation and Vietnam's lackeys. These foreigners are feeding the tigerish Vietnamese, who continue to eat Cambodian flesh. They continue to feed and strengthen the soldiers and policemen of Vietnam's puppets to enable them to continue attacking the Cambodian nation and people. Acting this way, these foreigners are fueling the war. They are destroying peace, whose light is beginiing to emerge.

The masses ask these foreigners: Was the election of UNTAC [UN Transitional Authority in Cambodia], in which FUNCINPEC won, organized to run state affairs in accordance with the people's will and liberal democracy, or was it just a continuation of the cheating process, which is aimed at violating and trampling on the people's rights and will? Or are these foreigners coming to feed Vietnam and its puppets to enable them to continue killing the Cambodian nation and people?

The masses say that in a situation in which Vietnam's puppets are persistently strengthening Vietnam's state authority structures, money should not be borrowed to assist Vietnam's puppets. This loan and other matters should be left to a national government set up by the people's will, that is in accordance with the election results.

However, serious incidents will ensue if foreigners insist on borrowing money to help Vietnam's puppets in violation of the people's will. And these foreigners, and no one else, will be fully responsible for all the consequences.

Indonesia

Polish Official on Economic, Business Cooperation

BK1806040593 Jakarta KOMPAS in Indonesian 11 Jun 93 p 2

[Text] Jakarta, Kompas—Poland has offered Indonesia a more concrete form of cooperation and greater business opportunities. It has offered products and technology in the construction of low-cost houses, electricity generation, and mining.

The offer was made by Zbigniew Wojciech Okonski, Polish deputy minister for foreign economic cooperation, who is on a five-day visit to Indonesia along with 11 Polish businessmen. Speaking to newsmen at the Department of Foreign Affairs in Jakarta on Thursday, Okonski said he had been received in Jakarta by Satrio Budiharjo Yudono, trade minister; Tunky Ariwibowo, industry minister; Akbar Tanjung, state minister for people's housing; and Sotion Arjanggi, chairman of the Chamber of Commerce and Industry. He also visited the Department of Mining and Energy.

According to Okonski, Poland is trying to enhance economic cooperation, particularly trade with Indonesia. In his opinion, Indonesia and Poland have many opportunities for cooperation that can be further explored.

Okonski hoped that the two countries would have direct trade links without third countries such as Singapore and the Netherlands.

Poland, which has a population of 40 million, is undergoing a transition from the communist economic system to an open economic system. Accordingly, he considered Poland Eastern Europe's largest market for Indonesian products.

The volume of Indonesian-Polish trade amounted to U.S. $69 million in 1992. Indonesia's exports to Poland reached U.S. $40 million or increased by 52.87 percent over the previous year. On the other hand, Indonesia's imports from Poland reached only U.S. $29 million or decreased by 64.15 percent from U.S. $42 million in the preceding year.

Minister Hopes Members Abide by OPEC Quota Rule

BK2206123093 Jakarta ANTARA in English 1122 GMT 22 Jun 93

[Text] Jakarta, June 22 (ANTARA)—Indonesia hopes OPEC members will abide by the quota distribution set by the Organization of Petroleum Exporting Countries to prevent price falls in the international market.

"Do not produce at will," Indonesia's Minister of Mining and Energy Sujana said after a meeting with President Suharto here on Tuesday.

Sujana met the head of state to report the results of the recent OPEC meeting in Vienna. During the meeting, Kuwait rejected to sign the quota agreement on the ground that its quota of 1.7 million barrels per day is still inadequate.

Sujana warned if Kuwait produced 200,000 to 300,000 barrels above its quota it could harm the market because supply would surpass the real demand. With its 1.7 million BPD [barrels per day] Kuwait's quota has actually been increased by 10 per cent, he added. Kuwait resumed oil production after repairing on its oil refineries [as received] were made following destruction as a result of the Gulf war.

Sujana said efforts both formal and informal had been made to persuade the middle eastern country to abide by the quota agreement but everything would depend on it. OPEC has set production limit at 23.58 million bpd while world demand is estimated to be at around 66 million BPD.

Although Indonesia is able to produce more than its quota, Minister Sujana assured that Indonesia would never exceed its quota, now set at 1.317 million BPD.

ICRC Deplores Difficult Access to Prisoners

BK2206124293 Hong Kong AFP in English 1225 GMT 22 Jun 93

[Text] Jakarta, June 22 (AFP)—The International Committee of the Red Cross (ICRC) Tuesday deplored the continuing difficulties it faced in gaining access to all prisoners in East Timor and called on Jakarta to remove the blocks.

"The ICRC deplores the•: continuing difficulties and appeals to the Indonesian authorities to take all the necessary steps to resolve them and enable the visits to be carried out smoothly," a press communique issued by the ICRC headquarters in Geneva said.

The communique, a copy of which was obtained here, said that despite guarantees received by the ICRC president "from the highest authorities" of Indonesia, the committee's delegates had continued to face restrictions on access to prisoners in the former Portuguese colony of East Timor.

The ICRC, which like the Indonesian government has not released figures of prisoner numbers, suspended its visits to detainees in East Timor in January. It attempted to resume them on May 25, but suspended them again on May 30 saying all ICRC conditions for the visits had not been met by officials there. An ICRC delegation of five, including a medical doctor from Geneva, visited East Timor on June 17 but the visit was cut short the next day because of "failure to obtain access to all detainees," the communication said.

ICRC President Cornelio Sommaruga said here last month that a series of talks he has had with Indonesian officials, including President Suharto and Foreign Minister Ali Alatas, had left him optimistic that there would be "access to detained persons in a regular way, in continuity." Sommaruga said then the ICRC had not been particularly satisfied as to the "rhythm of access", with no access "on a regular basis" to all persons detained or arrested in the former Portuguese colony which Jakarta unilaterally declared its 27th province in 1976.

The United Nations still regards Lisbon as the legitimate administrative power in East Timor.

Minister Rebukes Police Chief for Absence

BK1806143993 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 18 Jun 93

[Text] Minister of State Secretary Murdiono has expressed his deep disappointment over the absence of National Police Chief Lieutenant General Banurusman in the joint session of parliament's Commission I, III, and V in Jakarta yesterday. Speaking to reporters on the matter in Jakarta today, Murdiono not only expressed his surprise over the absence, but also reminded President Suharto's instruction that all government officials must attend hearings whenever they are invited by parliamentary commissions. This instruction is in accordance with the presidential oath taken at the People's Consultative Assembly session, which, among other things, stipulates that the president will faithfully uphold the 1945 Constitution. This means that the president must have great respect for the parliament.

Minister Murdiono said he could not accept the excuse that the national police chief had other appointments. Murdiono cited an example in which he himself gave high priority to his appointment with parliament's Commission II yesterday while in fact, he was also scheduled to accompany President Suharto to visit Cirebon.

The hearing of parliament's Commission I, III, and V with Lt. Gen. Banurusman, was originally scheduled to discuss the implementation of the Law No. 14/1992 on traffic problems. It was therefore cancelled due to the absence of the national police chief. Lt. Gen. Banurusman, who did not attend the hearing because he attended the 47th founding anniversary of the Police Cadet Academy, had delegated Major General Kusparmono, deputy police chief for operations, to attend the hearing. However, the parliament's commissions could not accept a substitute because parliament's dignity must be upheld.

6th Repelita To Boost Technology-Based Industries

BK2206113893 Jakarta THE JAKARTA POST in English 7 Jun 93 p 10

[Text] Jakarta (JP)—Indonesia will boost the growth of technology-based industries during the Sixth Five-Year Development Plan [Repelita] period beginning next April, Minister of Industry Tunky Ariwibowo says.

"Technology-based industries will be developed as a base for the nation to enter the global technology era in the future," he was quoted as saying in a speech at the opening ceremony of a six-day exhibition on China's machinery, electronic products and technology here on Saturday.

In the speech, read by his expert adviser, Afandi Dahlan, the minister said that resource-based and labor intensive industries would also receive emphasis and that intense synergy among private sector, research and development bodies and universities is needed to help develop professionalism in a bid to support the development of Indonesia's technology.

Among fields in the technology-based industries which will be developed are the manufacture of electronics, components made of metal, machinery, heavy equipment, construction devices and transportation means, Tunky said.

In the resource-based industries, Indonesia will boost the production of rubber, leather, pulp and paper, ceramics, glassware, and food.

In the labor intensive sector, the government will promote the development of the industries of footwear, sporting equipment, toys, and handicrafts the minister stated.

The government's plan to focus on certain fields of industries during the next Repelita period is in line with the rapid growth in these sectors in the past few years, he said.

"Indonesia's industry has achieved the adequate level of efficiency which can be seen from its 55 percent share in the country's total value of export and its average growth of 25 percent per year," Tunky reiterated.

According to data, exports of industrial products last year grew by over 30 percent to US$19.61 billion (57.74 percent of Indonesia's total exports) from $15.07 billion in 1991.

Among the largest contributors in the industrial commodities are textiles, garments, processed timber products, footwear, processed rubber, and electronics.

Despite the significant growth in the development of its industry, Indonesia is also still facing stiff competition from China, Hong Kong, and Taiwan in both the domestic and international markets.

China, for example, still offers its machines at prices far below domestic products, he said.

HMB Nawawi, an executive of the Indonesian Chamber of Commerce and Industry, who also attended the opening ceremony of the Chinese fair, said diplomatic approach should be taken to bring the Chinese in line.

"Obviously, nobody can stop the aggressive move of China, which reportedly has sold products at dumping prices. The only thing that we can do is to push that country to join the General Agreement on Tariffs and Trade (GATT) to force them to abide by international rules."

The exhibition at the Jakarta Kemayoran Fairgrounds, organized by PT [Limited Company] Peraga Nusantara Jaya Sakti, features a wide range of China's machinery, electronic goods and other industrial products, most of which are offered at low prices.

The exhibition will end on June 10.

Bali Maintains Paddy Surplus Despite Pests

BK1906145593 Jakarta SUARA PEMBARUAN in Indonesian 26 May 93 p 12

[Text] Denpasar—Usually, paddy is attacked by pests throughout the planting season. These attacks could result in crops being damaged.

However, the extent of the damage depends on the type of pests, crop resistance, amount of rainfall, the environment, and action taken by farmers.

According to the head of Bali Food Crop Plantation Agency, Ir [Engineer] I. Gusti Bagus Tenaya, paddy pests continue to attack the crop despite extermination measures being carried out. Under the 1992-1993 fiscal year, stump disease, rats' lice, and worms attacked the stem of paddy plants.

As for the secondary crops such as soybean, shoot-eating pests and parasitic worms damaged the crops and retarded their growth. Also, orange trees suffered from a disease called citrus vein phloem degeneration, CPPD.

The Bali provincial administration, with the cooperation of the Agriculture Department's directorate of protection of food crops subagency, and other related agencies are intensifying efforts to overcome these problems. Among other things, they will launch coordinated operations to exterminate the pests.

Data from the Directorate of Protection of Food Crops show that coordinated pests extermination operations have been sucessful. Paddy on 3,871.4 hectares of land covering Tabanan, Badung, Bangli, Klungkung, Karangasem, and Buleleng Districts were prevented from being attacked by the stump disease.

Meanwhile, 1,072 hecatres of paddy in Tabanan, Bangli, Klungkung, Badung, Gianyar, Karenasem, and Beluleng had been saved from attacks by rat's lice.

According to Gusti Bagus Tenaya, by preventing the spread of the plant stump disease, rice production increased by an average of 1.117 kilograms per hectare or about 13.25 percent.

In view of this, he called on all farmers in Indonesia to maintain planting discipline and be determined in cultivating superior paddy varieties that could resist the stump disease. They are the Ir [expansion unknown] 64, Ir 66, Ir 72, and Ir 74 varieties.

In the meantime, data from the Bali Food Plantation Agency showed that under the 1992-1993 fiscal year, paddy acreage increased to 156,199 hectares from 91,571 hectares.

However, despite pest attacks, there was a surplus of rice production in Bali. In 1991, Bali's unhusked paddy output reached 831,675 tons, with an average yield of 6,135 tons per hectare of cultivated land. In 1992, the unhusked paddy output from 163,000 hectares of cultivated land was 877,990 tons, with the average of 5,386 tons per hectare.

Meanwhile, Nyoman Saba, head of Bali Regional Agriculture Department, said rice consumption by the Bali population is about 138 kilograms/per head/per year. Therefore, the total population of Bali which is about 2.8 million will need about 386,000 tons of rice per year.

"This means Bali will still haves a surplus of about 50,000 tons of rice, and could supply this to residents of other provinces.

Under the 1992-1993 fiscal year, Bali allocated about 88.5 million rupiah for a paddy cultivation intensification program. In 1993, 392 hectares of paddy in Melaya, Negara, and Mendoyo Subdistricts in Jembara District of Bali, were attacked by pests. This resulted in the loss of 22.75 hectares of paddy.

Government Critic: Stand 'Unchanged'

BK1706105593 Jakarta THE JAKARTA POST in English 5 Jun 93 p 1

[Text] Jakarta (JP)—Ali Sadikin, former Jakarta governor and a staunch critic of the government, cautions against reading too much into his recent visit to the state shipyard in Surabaya and says his principles are unchanged.

Many political analysts have said the visit of Ali Sadikin and five other outspoken government observers to PT [Limited Company] PAL shipyard on Thursday raises the prospect of a reconciliation between the government of President Suharto and its main critics.

Sadikin, who has been persona non grata at government events for more than a decade for his scathing opinions, said he was "honorably" invited by PT PAL president B.J. Habibie to Surabaya.

"I would have been stupid and narrow-minded not to have accepted the invitation because I don't feel I have any enemies," he told reporters last night at the launching of a new book by human rights activist Todung Mulya Lubis.

"Ask Habibie and Suharto...I hope for an improvement," was his response when asked if the visit could translate into better relations with the government.

The retired marine lieutenant general said his principles are the same as ever. "You should know Ali Sadikin... I'm doing this for the country and the nation."

He said the invitation was given "spontaneously" when he bumped into Habibie at the house of retired general Abdul Haris Nasution in Jakarta during the Id al-Fitr holidays in March.

Habibie, who is also the minister of research and technology, made good on his offer this week by inviting Sadikin and the five others to attend the launching of new PT PAL ships.

Habibie told reporters yesterday that Suharto had not only given the green light to invite Sadikin but had encouraged the gesture.

"Habibie, these men were my comrades in arms during the independence struggle," Habibie quoted the head of state as saying.

"They are members of the Generation of 1945 that made it possible for you to become what you are."

Sadikin applauded Habibie for his bold move, which he said was unlike other officials who "wouldn't dare invite me to their daughter's wedding."

Sadikin was accompanied at the ceremony by Anwar Haryono, Chris Siner Keytimu, Rajab Ranggasoli, Suyitno Sukirno and Wakhdiat. They flew from Jakarta together with Habibie and other guests. Another leader, H.R. Dharsono, could not make the trip because of illness.

Officials of the Armed Forces (ABRI) were quick to point out, however, that the visit by no means amounted to a reconciliation.

"It was not a political visit. They were there as ordinary citizens," said Lieutenant General Hariyoto, ABRI [Armed Forces of Indonesia] chief of socio-political affairs.

Minister of Home Affairs Yogi S. Memet also played down the visit as "nothing out of the ordinary."

Coordinating Minister of Political Affairs and Security Susilo Sudarman said the government's attitude was unchanged.

"Everything is still part of the status quo. All that happened was that some private citizens were invited by Habibie. That's all."

Political observer Maswadi Rauf and legislator Sabam Sirait countered that the move suggests the government is now aiming to accommodate all groups, including its political opponents, to improve democracy.

Sirait and Maswadi said Habibie, as one of Suharto's closest aides, has made a "good move" that in the long run could lead to reconciliation between Suharto and his critics.

"The invitation not only showed that the Suharto Government no longer sees Ali Sadikin as a foe, but it is also an indication that it is willing to tolerate people whose line of view is different from that of the officials," Maswadi said.

Maswadi, a political scientist from the University of Indonesia, said he believed Habibie would not have invited Sadikin without Suharto's endorsement. "The invitation was a daring move on the part of the government to decrease the number of its opponents and improve its image."

He said the credit goes to Habibie because the minister is able to change the image of the government.

Sirait of the Indonesian Democratic Party (PDI) faction said the invitation should be seen as an effort to resolve the long-standing friction between Suharto and his critics.

"That (invitation) was a good start," he said. "The 1945 generation which will soon end its service should not bequeath time bombs."

Sirait, a House member of Commission I overseeing defense and security, suggested that national leaders belonging to the 1945 generation and the younger generation meet and reach a consensus on fundamental issues.

Government Moves 'Positive' for Dissidents

BK1806062593 Jakarta THE JAKARTA POST in English 7 Jun 93 p 4

[Editorial: "A Move Towards Reconciliation"]

[Text] For months, Minister of Research and Technology B.J. Habibie has been dubbed "super minister" because of his numerous activities, which many critics consider beyond his line of duty. In one recent instance, he is said to have upset top brass at the Ministry of Defense and Security when he announced a plan to procure several squadrons of British-made Hawk jet fighters without prior consultation with the generals.

Several Indonesian diplomats also expressed their irritation last month after Habibie returned from the United States. The minister met with President Bill Clinton and reportedly received the U.S. leader's backing for a meeting with President Suharto in Tokyo prior to the summit of the Group of Seven (G-7) nations in July. Habibie's critics claimed that he had overstepped himself and trespassed into the domain of the Ministry of Foreign Affairs.

More eyebrows were raised several weeks ago when Habibie announced that the government plans to float the shares of some 50 state firms on international stock markets to raise funds for the firms' expansion projects. Some analysts said that this issue was for the Ministry of Finance to explain, not Habibie.

But the rumblings never develop into a roar as nobody will openly criticize Habibie who is said to have "most favored minister" status in Suharto's cabinet. Habibie never forgets to state that his plans and projects have the president's stamp of approval.

Habibie's numerous official positions, including the chairmanship of 10 major state concerns, have given him a say in a wide range of areas. These positions combined with his close alliance with President Suharto have afforded him the political clout to make him the most powerful minister in the nation.

It is no surprise, therefore, that Habibie's move to invite several of the government's staunchest critics to visit the P.T. [Limited Company] PAL shipyard, one of the state firms under Habibie's supervision, left many people stunned and ignited frenzied speculation on his motives. Members of the so-called Petisi 50 [Petition of 50] group have been considered persona non grata for years, virtually blacked out from public view. The fact that President Suharto approved of Habibie's initiative has also helped to fuel the questions.

Much of the debate centers on whether Habibie's move was one of reconciliation. Ali Sadikin, the former Jakarta governor who is considered the unofficial leader of the government's critics, insisted after the P.T. PAL visit that his principles are unchanged, but one can not rule out the possibility that out of this political cloud there may emerge some light of accommodation. After all, both President Suharto and members of the group were "comrades-in-arms" during the war for independence and are now into their old age.

Could it be that time has ended the enmity between them and that the aging process brings greater understanding? Or has the force of circumstances pushed the government to start taking steps to bury the hatchet? One should not forget that democratization, the goal set by Sadikin and his supporters since 1980, is now a global issue and internationally accepted as a political must in any just society.

Indications of the government's mellowing stance has been evident for some time. For example, after years of being banned from leaving the country, Anwar Haryono, one of the government's fiercest critics, was recently allowed to attend a meeting of the Organization of the Islamic Conference (OIC) in Jeddah. Another vocal critic, Chris Siner Key Timu, was permitted to travel to Spain.

Whatever the reasons, one could not help but welcome these positive signs. Perhaps it is still too early to predict a major breakthrough. But, after almost 50 years of independence, the nation should have learned that we can live harmoniously together even though we may disagree on many issues. After all, our national motto is "Unity in Diversity."

Military Chief: Dissidents Still Security Threat

BK1806120893 Singapore THE STRAITS TIMES in English 18 Jun 93 p 14

[By Jakarta correspondent Paul Jacob]

[Text] Jakarta—Armed Forces Chief Feisal Tanjung has dismissed the notion that a recent visit by Indonesia's most prominent group of dissidents to a state-owned shipyard was a sign of reconciliation between the government and its critics.

General Feisal, who disclosed that President Suharto had himself underscored this point, said the military regarded the dissident Petisi 50 [Petition of 50] group as a security threat because they were "still launching political moves which are a danger to national stability".

He did not specify what these moves were but told local journalists on Wednesday [16 June] that the military would continue to monitor the group's activities, especially now that it involved visits to "vital" industries such as the Pal Co., Ltd. shipyard.

Members of the group visited the yard at the invitation of Research and Technology Minister B.J. Habibie, who is close to Mr. Suharto and heads several government-owned companies classified as strategic industries.

Dr Habibie, whose invitation sparked speculation about possible reconciliation moves, had offered to host further visits to Batam island and the IPTN aircraft company.

Petisi 50 comprises former ministers, senior military officers, intellectuals, and human rights activists.

They petitioned Parliament in 1980 to query Mr. Suharto following speeches he made hitting out at critics whom he said were trying to topple him and undermine the Pancasila state ideology.

Petisi 50 members, led by former Jakarta Governor Ali Sadikin, were blacklisted subsequently from official functions and barred from leaving the country.

Gen. Feisal said that although Dr. Habibie had received Mr. Suharto's permission to host members of the group at the shipyard, there was no political motive behind the move.

Mr. Sadikin was invited because he was a former minister for sea communications and was involved in Pal Co,.Ltd.'s establishment. It was also only proper that Dr. Habibie keep Mr. Suharto informed about the visit, he added.

Gen. Feisal also reiterated that Petisi 50 members would continue to be barred from leaving the country.

Analysts said Gen Feisal's comments and reference to collaborative remarks by Mr. Suharto could reflect an undercurrent of military unhappiness with some of Dr. Habibie's recent moves.

"Habibie's gesture to the dissidents and the impression of reconciliation it generated left the military looking like the bad guys because they were seen as having enforced restrictions on the group all these years," a well-placed source said.

The source said that the military had made this point to Mr. Suharto, who in turn assured them that there had been no change in his attitude towards Petisi 50.

Gen. Feisal's comments mirrored those made a day earlier by Defence and Security Minister Edi Sudrajat.

The source added that while recent developments indicated that Dr. Habibie appeared to be gaining influence over political and economic matters at the expense of the military and others, Mr. Suharto was keen on maintaining a balance between the contending forces.

Foreign Minister Alatas Visits Poland, Hungary

WA2206141593

For reportage on the visit by Indonesian Foreign Minister Ali Alatas to Poland and Hungary, including reports on his talks with Polish Prime Minister Hanna Suchocka and Hungarian Foreign Minister Geza Jeszenszky, please see the Poland and Hungary sections of the 21 June East Europe DAILY REPORT and subsequent issues.

Laos

Leaders Receive Outgoing SRV Ambassador

BK1906022393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 19 Jun 93

[Text] Yesterday afternoon at the reception room of the Prime Minister's Office, Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], received a farewell call from Nguyen Xuan, ambassador extraordinary and plenipotentiary of the SRV to the LPDR, who ended his diplomatic mission here. The SRV ambassador began his diplomatic duty in the LPDR on 6 November 1978, thereby having served in this country for 15 consecutive years.

During the farewell call, Prime Minister Khamtai Siphandon praised and congratulated the SRV ambassador for having successfully carried out his diplomatic activities in Laos in the past 15 years, during which time he contributed both physical effort and wisdom to solidifying, strengthening, and developing the special relations and comprehensive cooperation between Laos and Vietnam. At the end of the call, the prime minister wished the SRV envoy a safe trip home and success in his new assignment.

In return, Ambassador Nguyen Xuan expressed thanks to the Lao party, government, and people for providing excellent convenience and cooperation to him in carrying out his diplomatic mission in the past 15 years.

On the same afternoon at the office of the Party Central Committee's Inspection and Control Board, Maichantan Sengmani, member of the party Central Committee Political Bureau and chairman of the said board, also received a farewell call from Ambassador Nguyen Xuan.

SRV Envoy Meets President

BK2306045593 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 23 Jun 93

[Text] Yesterday afternoon Nguyen Xuan, ambassador extraordinary and plenipotentiary of the SRV to Laos, called on Lao President Nouhak Phoumsavan at the Presidential Palace in Vientiane to bid him farewell prior to completion of his diplomatic assignment as the SRV envoy and his return to his country.

Nguyen Xuan has been the SRV ambassador to the Lao People's Democratic Republic since 1978, only three years after the liberation of our country. In this period in which our country faced various political, economic, cultural, and social difficulties, Nguyen Xuan significantly contributed to defending and improving Lao-Vietnamese friendship. He has helped the two countries consistently develop their good understanding, firm solidarity, and cooperation and assistance with each other. This has greatly contributed to the gradual resolution of the aforementioned difficulties in Laos. For example, during the renovation period it has helped promote ever-greater efficiency in implementing comprehensive cooperation between Laos and Vietnam.

During the farewell visit, Nouhak Phoumsavan also expressed his commendation for Nguyen Xuan's virtuous acts and accomplishments in helping develop the Lao-Vietnamese friendship, special solidarity, and comprehensive cooperation, as well as to the tasks of building and enhancing the people's democracy in Laos.

On the evening of the same day, in a ceremony at the State Guest House, Foreign Affairs Minister Somsavat Lengsavat, on behalf of the party Central Committee and the Lao Government, conferred a friendship medal on Nguyen Xuan as a gesture of praise to the Vietnamese diplomat.

SRV Cultural Delegation Ends Visit

BK2206130893 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 22 Jun 93

[Text] On 20 June the delegation of the Ho Chi Minh Museum headed by Associate Professor (Ngo Van Ky), deputy director of the museum, left Vientiane for Hanoi after a 15-day visit to Laos at the invitation of the committee in charge of construction of the Kaysone Phomvihan Museum.

While in Laos, the delegation was received by Comrade Sisasa Sisan, chairman of the Kaysone Phomvihan Museum. During its stay, the delegation also visited the residences and offices of the late President Kaysone Phomvihan in Vientiane and (?Viangsai) District in

Houa Phan Province. It also visited Ban Naseng village, the birthplace of the late president in Savannakhnet Province where he grew up during his childhood.

During the visit, the museum delegations held a meeting on construction of the Kaysone Phomvihan Museum. At the meeting, the Vietnamese delegation informed the Lao counterparts that the Ho Chi Minh Museum would render its fullest assistance to help construction of the Kaysone Phomvihan Museum.

On the evening of 14 June, Comrade Sisana Sisan accompanied the Vietnamese delegation to pay a courtesy call on Nouhak Phoumsavan, president of state and chairman of the Lao People's Revolutionary Party Central Committee. During the courtesy call, the president held an initimate conversation with the visitors and informed them of the objective in building the Kaysone Phomvihan Museum. In the meantime, the Vietnamese delegation pledged to give utmost assistance to construction of the museum.

Discussion on Border Cooperation Held

BK1706113193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 16 Jun 93

[Text] From 25 to 28 May at the conference room of Hotel No. 1 in Houa Phan Province, a consultative meeting was held between the border delegations of Houa Phan Province and the Socialist Republic of Vietnam's Thanh Hoa Province.

The Lao side was led by Comrade Major General Sonsai Pankhamsai, acting chief of the provincial public security command of Houa Phan, while the Vietnamese delegation was headed by Comrade General (Nguyen Dong Luc), chief of the border military command of Thanh Hoa Province.

The meeting focused on the situation along the border between the two provinces of Houa Phan and Thanh Hoa. The two delegations informed each other about the past year's developments along the border in their respective provinces. Moreover, they also discussed and exchanged views and experiences aimed at gradually strengthening and improving solidarity, friendship, and cooperation in carrying out border activities between the two provinces in the years to come.

The meeting was filled with an atmosphere of longstanding traditional friendship and mutual respect between the two neighborly and brotherly countries.

Prime Minister Receives New Russian Envoy

BK2306054793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 23 Jun 93

[Text] Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], received a courtesy call from Vladimir Parlovich Fedotov, newly appointed Russian ambassador to the LPDR, yesterday at the Prime Minister's Office in Vientiane.

The conversation between the guest and host proceeded in an atmosphere of friendship and understanding. First of all, the prime minister expressed his congratulations to the new Russian ambassador. He wished for relations of friendship and cooperation between Laos and Russia to develop ever greater on the basis of the Lao Government's unchanging and consistent direction toward the relations of friendship and cooperation between the two countries.

The new Russian envoy expressed his confidence in the Lao Government and said that the Russian-Lao relations and cooperation have gradually flourished with a new quality.

Earlier in the morning of the same day, at the Ministry of National Defense in Vientiane, National Defense Minister Choummali Sai-gnason also received a courtesy call from the new Russian ambassador.

France Agrees To Subsidize Various Projects

BK2006095193 Vientiane Vitthayou Hengsat Radio Network in Lao 1400 GMT 19 Jun 93

[Text] In Vientiane on the afternoon of 18 June, Vongphachan Sonnasin, head of the Office of the State Planning and Cooperation, and (Notavic Dompigno), deputy director for financial affairs of the French Ministry of Economy, signed an agreement on economic cooperation for 1993.

In the agreement, the French Government agreed to provide assistance to Laos on a project to overhaul machines and equipment at the Nam Beng hydroelectric dam in Luang Prabang Province; a construction project to establish a tap water system at Ban Chem in Vientiane Province; and a project to acquire radio equipment for Wattai Airport in Vientiane city and Pakse District, Champassak Province. The whole assistance program will cost 30 million French francs, 35 percent more than what France gave to Laos in 1992.

On the same occasion, the two sides also discussed and set directions for bilateral cooperation in 1994. In the next year, cooperation will cover the following projects: the construction of a microwave transmission system from Se Pachan to Khonsavan; a survey of the small hydroelectric dam in Keng Yek, Sam Neua District, Houa Phan Province; continued aid to install equipment for the operating room at Mahosot Hospital; the construction of a tap water system in Vangviang District, Vientiane Province; the supply of aviation equipment for Wattai Airport in Vientiane city; and the renovation of the Se Labam hydroelectric dam.

Attending the signing ceremony were Kithong Vongsai, deputy chairman of the State Planning and Cooperation Committee; Xavier Rose, ambassador extraordinary and plenipotentiary of France to the Lao People's Democratic Republic; and a number of high-ranking officials from both sides.

111 Refugees Return Home From Thailand 17 Jun

BK2006120193 Vientiane Vitthayou Hengsat Radio Network in Lao 1400 GMT 19 Jun 93

[Text] A batch of 111 Lao refugees returned to their homeland from Thailand on the afternoon of 17 June through the Tha Deua border checkpoint in Hatsaifong District, Vientiane city. The group was made up of 70 citizens of Vientiane city from 27 families, 13 of Luang Prabang Province from seven families, and 28 of Bolikhamsai Province from nine families.

The ceremony to hand over the refugees was attended by Phonsavan Phommadouang representing the Lao side and Khammi Sapha, representing the Thai side. The ceremony took place in the presence of a number of representatives of the United Nations High Commission for Refugees [UNHCR] office in Laos, the Thai Embassy, and various agencies concerned.

This repatriation of Lao refugees is the fourth this year. So far a total of 1,346 refugees have returned home this year through the social welfare service of Vientiane. Since mid-May, the UNHCR has provided refugees with various forms of assistance. Each refugee has been paid more than 100,000 kip. Moreover, in collaboration with the local administration, the UNHCR has also begun to send women, children, and youths who are too old to go to school, to the professional training center.

Premier Issues Instruction on Timber Business

BK1906121193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Jun 93

[Text] In late May, Prime Minister Khamtai Siphandon signed Instruction No. 24/PM on the management of timber business operations. The instruction has been circulated to ministers of various ministries, the heads of organizations with ministerial status, and governors of all provinces and mayor of Vientiane Municipality states:

To conform with the levels of responsibilities between the macromanagement organizations at the central and regional levels and the main content of government meetings in March and April 1993, the prime minister has therefore issued the following instruction:

The timber-selling committee which was appointed in accordance with the Instruction No. 16/PM dated 7 December 1992 will be abolished. Its duties will now be taken over by the provincial administration and the Vientiane Municipality.

The selling of timber will be organized according to the rules and regulations laid out by the Ministry of Agriculture and Forestry, the Ministry of Trade, and the Ministry of Finance. The Ministry of Agriculture and Forestry is responsible for supervising forestry technology, the Ministry of Trade for pricing and marketing, and the Ministry of Finance for payment and other matters.

The instruction dissolves the forestry police and the illegal timber inspection committee. Regional administration are to set up regional forces to protect the forest and manage such activities. The operations are dependent mainly on the defense forces in each village. Provincial administrations are assigned to supervise the duties and responsibilities of the regional defense forces and to encourage its observance. The administrations at the district and village levels must regularly inspect the activities of the regional defense forces so that they will perform their duties responsibly.

The instruction also states that local and foreign timber extraction companies, which have been granted timber extraction licenses by state organizations concerned in the past, are allowed to continue their business of extraction and production as usual. In the case of new licenses, the provincial authorities will fix the timber quotas for timber extraction companies or timber processing factories, which have been legally granted licenses by the ministries concerned. The quotas will be based on the annual quotas the government has set for each province. The national investment promotion board has the authority to make agreements and sign contracts with foreign companies on this matter.

Furthermore, the instruction proposes overall guidelines on comprehensive timber operations for both local and foreign companies. They are in the planting and tending of trees, timber extracting, and wood processing. All these practices must conform with the rural development projects, the solution to slash-and-burn cultivation, reforestation, the finding of fixed professions for people in the mountainous region, and the conservation of forest resources and watershed areas. Logs are not allowed to be exported, except for the certain kinds of timber and in cases where the government has given permission.

Aid Rice Distributed to People in Luang Namtha

BK2306040793

[Editorial Report] Vientiane Vitthayou Hengsat Radio Network in Lao at 0000 GMT on 21 June carried two reports on rice donated to the people of Luang Namtha Province.

One report says the Lao Unified Buddhist Organization and the Lao Front for National Construction have presented more than 13 metric tons of rice aid to people in Luang Namtha Province, which suffered drought in the past production season. The rice was purchased with money donated by people in the capital of Vientiane.

The second report says a quantity of 109 metric tons of rice, the first shipment of the more than 1,000-metric-ton total of rice aid from the Food and Agriculture Association to Luang Namtha Province, has arrived in the province. Local administrations are urgently distributing rice to the people of Luang Namtha District, who have suffered from a rice shortage.

Philippines

Senator Ople Says U.S. Relations Seem 'Cool'

HK2306112193 Quezon City ABC-DWET Television in Tagalog 1000 GMT 23 Jun 93

[From "ABC-DWET News Program"]

[Text] In our "Point Five" [editorial segment] let's review the relations between the Philippines and the United States.

According to Senator Blas Ople, who attended a meeting in the United States recently, it seems the United States has become cool in dealing with our country. Perhaps, Ople said, this is still a result of our refusal to give way on the military bases issue. It should be noted that the Americans have cut to almost half the aid they are giving to the Philippines.

The lowering of the Philippines in U.S. priorities can be expected. Eastern Europe and Somalia are now occupying the attention of the Americans. Nevertheless, they have no plans to withdraw from the Asia-Pacific region. Their business interests and properties here are vast and they have to guard and protect them, whether or not they have bases here. They will continue to meddle in the running of countries like ours where they have interests.

Perhaps what we should remember is this: From now on, we can expect nothing from the United States. We also have nothing to consult them about. We have chosen independence. Let's stand by it.

We should learn from the Koreans. It is not the declining aid they are counting but the debt that should be paid back by the country which defeated them during the occupation—Japan.

Russia, China Wanted as ASEAN Dialogue Partners

HK2106045393 Manila THE MANILA CHRONICLE in English 19 Jun 93 pp 1, 7

[Report by Manny Mogato]

[Text] President Ramos wants to make China and Russia permanent dialogue partners of the six-member Association of Southeast Asian Nations (Asean) to enhance security cooperation in the region.

At the same time, the President stressed the need to keep American military presence "as a stabilizing and energizing influence" in the Asia-Pacific.

The President also pushed for permanent membership of Vietnam in the Asean since the Indochinese country is moving swiftly to open up its market. Vietnam has an observer status in the Asean.

In a speech before the Manila Overseas Press Club (MOPC) Thursday night at the Manila Hotel, the President said "Asean itself has recognized the need for security cooperation—both among its member-states and with its dialogue partners in its post-ministerial-conference (PMC)."

"But if this in-house forum for fruitful interaction is to be truly effective, it must make room for countries, like China, Russia and Vietnam—countries that have a critical impact on the security of the region," he said.

The Asean has invited both China and Russia to join its own dialogue partners at a ministerial meeting in Singapore next month. The dialogue partners include the United States, Japan, South Korea, Canada, Australia, New Zealand and the European Community.

Regional security and its expanding role in the region will dominate the discussion in the Singapore meeting, the government's national security adviser Jose Almonte said.

Three countries with observer status in the Asean—Laos, Vietnam and Papua New Guinea—are also expected to attend.

The President said this kind of security consultations and dialogues were important in allaying fears of political and economic instabilities in the region because of "shifts in big-power arrangements since the end of the Cold War."

To further dispel uncertainties, the President once again voiced his support for continued U.S. military presence in the region.

"I have also made it clear that the Philippines and the rest of Asean view the continuing interest and presence of the United States as a stabilizing and energizing influence in this dynamic but uncertain period in the history of the Asia-Pacific region," the President said.

Mr Ramos, however, made it clear that the continued security and stability of the region depended largely on greater and wider economic coperation among Asean and its dialogue partners.

"I do believe our mutual security shall more and more depend not on arms, military alliances—nor on rearranging the regional balance of power—but on interdependent economies."

At the same forum, the President enumerated the significant gains of his administration during its first year in office.

"Today, nearly a year later, I am confident in saying that we have made a real start," he said. "Agree with me or not, we have come a long way towards putting our house in order since my inaugural on June 30."

Since the first day of his administration, his agenda had always been to resuscitate the slumping economy and transform it into the next dragon economy in the region, he said.

"What we did this past year was to lay the groundwork for the attainment of that goal, to move the economy forward through persistent reform and innovation and productive intervention," he said.

The President cited as indications that gains have indeed been made on the declining interest rates and inflation, the increasing foreign investments and the liberalization of the economy.

But he also admitted some problems still persisted, like the inability to increase revenues, pursuing the recovery of ill-gotten wealth, privalizing government assets, restablishing the country's credit-worthiness and the debilitating power problem.

In his quest to make the Philippines a newly industrialized country (NIC), the President said his administration would "open the economy to the world and level the playing field of business competition."

To attain this, he said, his government has started moves to dismantle monopolies and cartels, privatize large government corporations and map out a medium-term development plan that would develop growth centers outside the capital and to pump-prime the economy.

EC Approves Grant for Development Projects

HK1806051293 Manila PHILIPPINE DAILY INQUIRER in English 18 Jun 93 p 17

[Text] The European Community has approved a P1.4-billion [Philippine pesos] grant for three major development projects in the Philippines designed to serve rural communities in Samar, Catanduanes and some smaller islands in central Visayas. The financing agreements for the three projects will be signed on Monday [21 June] by EC Commission vice-president Manuel Marin and Foreign Affairs Secretary Roberto Romulo.

Alistair MacDonald, acting head of the EC delegation in Manila, said that the EC's concern for human rights and encouragement for countries which are in the process of democratizing were not to be considered as idle talk. The new development projects financed by the EC represent a contribution to the government's efforts on poverty alleviation, MacDonald said. He added that economic reforms being undertaken by the Ramos administration must be encouraged, particularly in the field of liberalization and revenue generation, "so that economic growth will permit improvement in the living conditions of the people."

The EC as a whole is now the second biggest donor for the Philippines, having committed a total of $1.03 billion in official development assistance over the past four years. MacDonald also noted that the Philippines has now become the fourth largest recipient under the EC's cooperation programs for the whole of Asia and Latin America. The government is planning to tap more funds from European countries, as it has scheduled to hold a pledging session for the Philippine Assistance Program in Paris late this year.

Foreign Aid Down 57.5 Percent in First Quarter

HK2106052993 Manila THE MANILA CHRONICLE in English 21 Jun 93 p 9

[Report by Maricor Zapata]

[Text] The Philippines received a total of $456.1 million in official development assistance (ODA) from international donors in the first quarter of 1993, 57.5% lower than originally appropriated, according to government records obtained by the Chronicle.

The amount, nonetheless, was 36.9% higher than what was given to the government in the same quarter last year.

The documents showed that overall, the total loan allotment for ongoing projects and programs of the Philippines for the first quarter of 1993 was $9.9 billion.

The same records stated that as of end of March this year, only 38.8% or $3.84 billion of the total loan allotment was used by the recipient agencies.

The records indicated that shortfalls in loan disbursements, and therefore, utilization, have arisen from delayed implementation of projects due to problems like "slow procurement process and right-of-way problems."

According to the records, the Department of Finance (DOF) got the biggest ODA loan disbursements of $119 million during the past quarter.

The next five agencies that generated the most loans disbursements, though much lower than what the DOF received, were: National Power Corp. (Napocor), $59.9 million; Department of Public Works and Highways (DPWH), $51.3 million; Development Bank of the Philippines (DBP), $38.5 million; Land Bank of the Philippines (LBP), $33 million; and Department of Transportation and Communication (DOTC), $31 million.

The records pointed out, though, that the said disbursements for the DPWH refered only to those made for projects being implemented by DPWH alone.

Actual disbursements for the department were higher if being implemented with other agencies were taken into account the records stated.

The documents showed that ODA disbursements for program loans in the first quarter of 1993 went up by 124.1% to 128.2 million from $57.2 million in the same period in 1992. On the other hand, however, ODA disbursements for project loans increased by only 18.85 from $275.9 million in January-March 1992 to $327.9 million in January-March 1993.

The records indicated that the World Bank [WB] disbursed the biggest amount of loans to the Philippines, equivalent to $235.5 million, during the first quarter of 1993.

WB's disbursement in the past quarter was 68% higher than in the same period last year, with disbursements for project loans increasing by 30%, the records showed.

Mainly contributing to the WB disbursement in the first quarter of 1993, the documents said, was the Economic Integration Loan of the DOF, getting $118.98 million.

Among other projects supported by the WB disbursements in the past quarter were: Rural Finance Project (LBP), $22.36 million; Energy Sector (Napocor); Industrial Restructuring (DBP), $12.4 million; Manila Power Distribution (DBP), $8.76 million; 2nd Rural Roads (DPWH/DILG), $8.08 million; Housing Sector (no particular agency indicated), $6.51 million; and Earthquake Damage Reconstruction (DPWH), $5.6 million.

Disbursing the second biggest amount of loans in the first quarter of 1993, the records indicated, was the Overseas Economic Cooperation Fund (OECF) of Japan, giving out 14.67 billion yen or about $136.783 million.

However, this was about 26% less than the OECF disbursement in the same period in 1992. The projects contributing most to the OECF disbursement in the same period in 1992. The projects contributing most to the OECF disbursements in the first three months of the year, the records said, were: Asean Japan Development (DBP), Y1.6 billion [Japanese yen]; Asean Japan Development (LBP), Y1.33 billion; Patinpinon Geothermal Power Project II (Napocor/Philipine National Oil Co), Y1.67 billion; Cebu International Airport (DOTC), Y1.54 billion; Elementary Educ. Project (DECS), Y1.54 billion, National Telephone Program Phase I (DOTC), Y0.94 billion; and Manila Team III (DOTC), Y0.73 billion.

The Asian Development Bank (ADB), meanwhile, disbursed a significant sum of $68.46 million during the first three months of the year, the records said.

Ramos Appoints Two Energy Undersecretaries

HK1906072093 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 18 Jun 93

[Text] President Ramos has appointed Mariano Salazar and Ricardo Sarino as the new undersecretaries in the Department of Energy. Salazar was an assistant executive secretary with the Office of the President's energy and information technology department, while Sarino was an executive with the Eveready Battery Company and the assistant vice president of the Surigao Consultative Council. The chief executive also appointed Eduardo Pilapil as the new postmaster general and Jaime Cuna as the new director general of the Technology and Livelihood Resource Center.

Navy Purchases Patrol Boats From South Korea

HK2206023893 Quezon City ABC-DWET Television in English 1300 GMT 21 Jun 93

[From the "ABC-DWET News Program"]

[Text] The 12 patrol boats which the Philippine Government purchased from South Korea during the recent visit by President Fidel V. Ramos have arrived over the weekend. Navy chief Vice Admiral Mariano Dumancas said the patrol boats, which are presently being unloaded at the Navy headquarters, will be activated by Wednesday [23 June].

The boats will be deployed in the country's seven naval districts and will be used to combat lawlessness at sea. The boats are equipped with several gun mounts with a range from 4 to roughly 8 km. Each has a maximum speed of 38 knots and can be at sea for 300 nautical miles without refueling. The boats, which were manufactured by a joint United States-Korea venture, were virtually donated by South Korea as the crafts were obtained at a very minimal cost. The Philippine Navy revealed that it expects 18 more 78-foot patrol boats from the United States under the new Philippine-US military agreement signed with the termination of the bases pact in 1991.

Unveils Modernization Plan

HK2106032693 Manila MANILA STANDARD in English 21 Jun 93 p 3

[Report by Arkhon Antolin]

[Text] The Philippine Navy [PN] will go for its P60-billion [Philippine pesos] modernization plan to help the country achieve the goals of "Philippines 2000."

This was revealed by Vice Admiral Mariano Dumancas Jr. PN Flag Officer-In-Command, in his report in the forthcoming 95th anniversary celebration of the navy on June 23.

Dumancas said the navy will acquire several new vessels, 10 maritime patrol planes for the fleet and a number of armored vehicles for the Philippine Marines by the year 2000. Support systems such as bases and naval stations will have to be developed as part of the program.

The navy chief said the modernization program will put the PN at par with the navies of neighboring countries.

Dumancas said the modernization of the navy will enhance its capability to protect the country's marine resources and defend its territorial waters and the Exclusive Economic Zone (EEZ).

The navy recently had acquired eight brand-new patrol craft fast (PCF) from the United States under the remaining Foreign Military Sales Credit (FMS) from the RP [Republic of the Philippines]- U.S. Military Bases Agreement.

Ten more of the PCFs will be manufactured soon in the country as provided by the agreement with the U.S.

Dumancas said that the navy also adopted a force-mix acquisition of two logistics support vessels (LSV) and six fast patrol craft (FPC) with a speed of 30-40 knots and a cruising range of about 2,000 nautical miles under the first phase of its modernization program.

The FPCs, three of which will be fitted with surface-to-surface and surface-to-air missiles, will be the navy's overall deterrent force. These gunboats will also act as the primary weapons systems against threats from the air.

Dumancas said that Spain will manufacture the missile-firing gunboats. Australia will build the FPC and China will produce the logistics support vessels.

Two more LSVs are to be delivered by September by the U.S. as part of its commitment to the Philippines.

Dumancas said the Philippines being an archipelago, the navy must ensure the free flow of trade and commerce since the country's maritime domain is six times its land area.

In year 2000 the navy is projected to have a total of 68 vessels or eight ships more that the minimum requirement of 60 but 32 ships less than the maximum requirement of 100.

The navy chief said that with the modernization program implemented, the maritime based industries, particularly shipbuilding and ship repair businesses, will thrive and boost the country's economy.

Meanwhile, the navy's theme on its 95th anniversary "Marlinis at Masaganang Karagatan, Pagasa ng Pilipinas 2000" [clean and prosperous seas, the hope of Philippine 2000] will be its commitment to environmental protection, aside from other threats to the nation.

Secretary Heads Group To Review Defense Program

HK1806052293 Manila MANILA STANDARD in English 18 Jun 93 p 4

[Text] President Ramos has created a six-man committee headed by Defense Secretary Renato de Villa, to review the defense posture as well as the defense industry of the country. "By authority of the President," Executive Secretary Edilmiro Amante issued Memorandum Order 135 on creation of the Committee on the Philippine Self-Reliant Defense Posture. Dated June 7, 1993, a copy of MO [Memorandum Order] 135 was obtained by the Manila Standard. In creating the committee, Amante cited the need "to avail of the present momentum of new investments, trade and economic cooperation from other countries."

The order was apparently prompted by the offers of defense/military assistance to the Philippine government during the state visits of President Ramos, particularly to the People's Republic of China and the Republic of Korea last April and May, respectively. It will be recalled that China extended a $3 million defense loan to the Philippines, while Korea donated six fast patrol boats to the Philippine Navy.

Members of the committee include Interior and Local Government Secretary Rafael Alunan III, Trade and Industry Secretary Rizalino Navarro, Science and Technology Secretary Ricardo Garcia, Acting Finance Secretary Ernest Leung and National Economic and Development Authority Director-General Clelito Habito. The committee will be assisted by a Technical Working Group, composed of representatives of the department secretaries. The group will prepare studies and recommendations for the committee's consideration. MO 135 authorizes the committee to "seek assistance of both the public and private sectors."

Ramos Considers NUC Proposal To Open Peace Talks

HK2206141093 Quezon City ABC-DWET Television in English 1130 GMT 22 Jun 93

[From the "ABC-DWET News Program"]

[Text] President Ramos today announced his government is considering a recommendation to hold the opening ceremonies of peace talks with rebel groups here in the Philippines. The recommendation was submitted by the National Unification Commission [NUC]. The NUC has been holding consultations with convener groups and secretariat heads in Manila since Monday [21 June].

At a news conference in Ozamis City, the president revealed that the NUC proposed that the signing of peace treaties with leftists, rightists and Muslim secessionist groups be done here in the Philippines. He added that this recommendation is in line with the government's concept of shifting venues for peace negotiations.

Earlier reports quoting NUC Chairperson Haydee Yorac said opening stages of talks with the leftist National Democratic Front may be held in Hong Kong. Yorac also reportedly suggested that talks with Moro National Liberation Front could be initiated in Indonesia. President Ramos pointed out that government options on the venues of opening and closing ceremonies of the talks are still open. He is scheduled to meet with NUC members tomorrow to discuss the peace body's recommendation.

MNLF Generals To Consult Local Leaders on Peace Talks

HK2206140093 Quezon City ABC-DWET Television in English 1130 GMT 22 Jun 93

[From the "ABC-DWET News Program"]

[Text] Moro National Liberation Front [MNLF] Chairman Nur Misuari has dispatched three generals of the MNLF Bangsa Moro Armed Forces into the country to further explore the possibility of officially continuing the peace talks with the government.

Lieutenant General (Tamyapa Manjursa), Brigadier General Abdul Sarin and Brigadier General Jul Amri are now in Zamboanga to consult with local military leaders of the MNLF. The three will next proceed to Sulu to discuss matters pertinent to the holding of the peace dialogue. As of this moment, both the government and the MNLF have yet to issue an official confirmation that a shifting venue arrangement will be adopted during the negotiation.

Thailand

No Drug Patent Law Amendment Reaffirmed

BK2106023793 Bangkok THE NATION in English 21 Jun 93 p B2

[Text] Government Spokesman Aphisit Wetchachiwa reaffirmed that the government will not and cannot amend Thai patent law to accommodate the US demands for increased protection of pharmaceutical patents, especially regarding the issue of pipeline products protection.

Speaking at a roundtable seminar entitled "Thailand and its preparation for US trade demands on pharmaceuticals" on Fnday, Aphisit said " Thai patent law BE 2535 cannot be amended under the Royal Decree rule to limit the pharmaceutical patents board's powers and compulsory licensing powers, and to extend protection for drugs patented abroad but not yet marketed in Thailand."

Later, though, he indicated that clarification of governmental powers was possible—presumably through the issuance of regulations under the law rather than amendments to the law—but the number of years that marketing rights for drugs in the pipeline would be protected was still a contentious issue.

Participants opposed extending the period during which a drug can be withheld from the market to monitor safety effects, which had been proposed as a means to satisfy US demands for extended exclusive marketing rights, and they opposed extending recognition of patent rights for fear that patent holders would charge high prices if they held monopolies over the distribution of their patented drugs.

Thailand is currently listed as a "priority foreign country" (PFC) for special scrutiny by the US government, accused of inadequate intellectual property copyright protection and deficient patent laws.

On March 31, the US set a three-month deadline, to expire July 31, informing Thailand that it must move seriously both to protect copyrights and amend patent laws in order to avoid retaliation.

Currently, the US wants Thailand to amend three provisions of the Thai patent law concerning pharmaceuticals:

—The Pharmaceutical Patent Board's powers should be clarified. Established to protect consumers from possible monopolies, the board has the right to monitor possible overpricing and other monopoly power abuses.

The US says that, as written, the powers are potentially too great and too intrusive into company boardrooms and laboratories.

—Compulsory licensing enforcement powers should also be clarified. The current Thai patent law allows the government to force patent holders to licence competitors to produce patented drugs if the holders abuse their monopoly rights by not producing a drug or producing it at high prices "without a proper rationale."

The US also found this phrase too vague, leaving a future Thai government too much discretionary power to force a drug patent holder to give up its exclusive marketing rights.

—Pipeline product protection should be provided for drugs already patented abroad but not yet marketed in Thailand. The US wants a seven-10 year period of protection.

Thailand, however, proposed a two-year safety monitoring period plus one year of exclusive marketing rights, with an additional year's protection if the drug is rarely used. Drugs that are required by few patients naturally produce fewer sales to compensate the patent holder for the costs of introducing a drug in the Thai market.

"The issues of the pharmaceutical patent board's powers and compulsory licensing powers are less of a problem—it is only a matter of clarifying (governmental) powers and actions. But the issue of extending backdated protection for pipeline drugs is still under debate," Aphisit explained.

As Thailand cannot provide what the US wants by amending the law, other public heath measures to extend pipeline protection to 7 years as demanded by the US are also "not proper", according to the strongly voiced opinions of several participants in the seminar.

Chingchai Mahakaeow, deputy secretary-general of Food and Drug Administration (FDA), pointed that providing pipeline protection would extend monopoly rights and drive up the price of drugs.

"Simply because they would have no competitors, they could charge a high price," Chingchai said, "besides, generic products, which are 1O-fold cheaper, could not be produced, as the original drug (formula) would be protected under pipeline (patent) protection."

Chingchai also talked about the length of the protection period. "Two years protection is really enough," he said.

"I know that the US FDA (Food and Drug Administration) requires at least a three year safety monitoring period. When the drug comes to Thailand, we monitor for another two years as side effects are different over time and for different ethnic (genetic) groups," Chingchai explained.

"Since the US presses us with ultimatums, we will extend protection for another year and an additional year for drugs which are needed by very few patients. That should be enough," Chingchai affirmed.

Chirapon Limpananon of Chulalongkorn University's Pharmaceutical Faculty agreed and pointed that the government could not respond to the US demands by simply extending the two-year safety monitoring practice (SMP) to seven years.

"What SMP does is let doctors see immediate side effects in a limited group of patients, a new kind of limited approval for drugs by the US FDA. However, if the period is extended to seven years, it is not to see immediate effects. Rather it is Post-Marketing Surveillance (PMS), to see what the drugs do to a vast number of people, after being approved for marketing," Chirapon explained.

"The SMP and PMS concepts are separate. You cannot just expand a two-year SMP to seven years because many people who need a drug quickly will not be given access to the drug," Chirapon said.

She cited the stand of a US antibiotics drug producer, who said the SMP should be reduced to six months only. "As they see it is worth it to release a drug to the public after six months [and take a risk that more people will suffer from a hitherto unknown side effect] rather than wait longer and take a risk that a disease will spread (or that people will suffer unnecessarily) especially the Aids-related diseases," she said.

A food and drug expert of the Thai FDA, Yuwadi Phathanawong, said pipe-line protection applies to drugs patented abroad but not yet marketed in Thailand, from the time the Thai patent law came into force.

"By this definition, pipeline products protection, if we are to give what the US demands, will cover old drugs already marketed abroad but coming to Thailand for the first time, and also drugs in the R&D process," she said.

"Our major worry is drugs in R&D. Nobody knows when these drugs will come to Thailand, and worse, we don't know how many there will be. Once they came to Thailand, we would be bound to give (extended) pipeline protection for these products," Yuwadi explained.

The effects, therefore, are long-term and widespread. Yuwadi said that with extended pipeline products protection, the public would get nothing but high prices. "The drug price would not be under pharmaceutical patent board surveillance nor under compulsory licensing. Besides, our pharmaceutical industry is still not strong enough to depend on ourselves," Yuwadi warned.

The Commerce Ministry's Deputy Permanent Secretary Suchai Chaowanawisit, however, warned that Thailand, PFC watch list, is now under Section 306 of the 1998 US Trade Act, meaning that the US can retaliate at any time without warning.

"What the US did to both Japan and the EC was rather serious and we should consider this when deciding what we should do in this matter," Suchai said "but the extent to which we respond to US demands depends on the government."

"Our being on the US PFC watch list causes uncertainty, especially among US importers. Therefore, we think we should get off this list," Suchai explained.

Dr Surakiat Sathianthai of the Faculty of Laws, Chulalongkon University, said that more public hearings on the issue of pharmaceutical pipeline protection should be held to help the public to understand the situation.

According to Surakiat, as next month's deadline is approaching and the US will evaluate Thai actions to that point, the country should do what it can to take initial steps to partially address the concerns of the US.

"There is no need to give them everything they ask for, and I think that the US will understand the situation, even if it is painful for them," Surakiat said.

Surakiart pointed that the recently established parliamentary committee formed to consider public health issues is a good sign and that it should take a more active role in these issues.

"From now on we can say we cannot do such and such because the parliament will not allow us to, as some other countries have done," Surakiat quipped.

Aphisit said that whether the government will conform to US demands or not depends on policies outlined earlier by Prime Minister Chuan Likphai.

"Prime minister Chuan said clearly that if we need to change because it is the lawful thing to do, we will do it. If we need to amend the law to meet international standards, we are willing to do it."

Army Commander: Thailand Not 'U.S. Colony'

BK2306092393 Bangkok SIAM RAT in Thai 23 Jun 93 p 1

[Text] Asked about the report that his visit to China was for talks with the Chinese side about the Khmer Rouge, Army Commander General Wimon Wongwanit on 22 June said the person who made such a report should answer the question. He added: "I know better than anyone. Who told you that? Is he a Thai, a farang [foreigner], or American?"

He said: "Our country is not a U.S. colony. The Americans have no right to interfere or look down on us. If I were the foreign minister, I will protest whenever anyone, be him American or the national of any country, says something bad about Thailand."

Earlier, U.S. Senator John Kerry charged that Thailand secretly continued to trade arms with the Khmer Rouge.

Asked if he meant to say that the Thai foreign minister had failed to do his job properly, General Wimon replied: "Which newspaper said that? I said if I were the foreign minister and the United Stated falsely charged that I support this or that faction, which is untrue, I will protest for the sake of our national dignity. I have no intention to create any rift as the press has alleged."

Discusses Army 'Restructuring'

BK2306141493 Bangkok Army Television Channel 5 in Thai 1200 GMT 23 Jun 93

[Text] The army commander has stressed that the army's demilitarization program must suit the situation and at the same time capabilities of the troops must also be developed.

General Wimon Wongwanit said the following while attending the Army Engineering Department anniversary celebrations:

[Begin Wimon recording] We do not call it personnel reduction; it is called restructuring. In this restructuring, whatever is essential would be increased to suit the country's development situation. Army engineers are among the essentials. The Development Division is an essential unit because it is an engineering unit. Therefore, some new positions in the division may be created.

I have said that we actually already started the restructuring when we reached the assessment that there would be no major war, only localized hostilities. Therefore, whatever we feel is unnecessary for combat would be reduced, and what we know to be essential for combat and national development would be strengthened. In any event, we must be ready to defend the country as well. [end recording]

The army commander also said drastic action will be taken if the report that soldiers were involved in a currency exchange shop robbery was true.

He also asserted that the army has never supported the Khmer Rouge as alleged by the United States. He said the government should urgently try to erase this image by having the Foreign Ministry clarify this matter with the country concerned.

[Begin recording] [Wimon] Certain publications continue to say that we support the Khmer Rouge. I feel that this is bad for our national honor.

[Correspondent's question indistinct]

[Wimon] As long as the media understand the situation correctly, I am not worried that other people might not understand. [end recording]

Spokesman Criticizes U.S. Article on Sex Industry

BK1906021193 Bangkok THE NATION in English 19 Jun 93 p A3

[Text] Foreign Ministry deputy spokesman Rawi Hongpraphat yesterday criticized the New York-based TIME magazine for depicting a Thai prostitute on the cover of its current issue. Rawi said the cover photo "discriminated" against Thailand.

The June 21 edition shows a Caucasian man with a Thai girl in a black bikini. The caption reads "a customer and a bar girl in Bangkok." Rawi said the ministry had instructed Nitya Pibunsongkram, the Thai UN envoy, to lodge a complaint at the magazine's headquarters in New York. "The inside story, entitled 'The Skin Trade,' was about prostitution around the world. Why did TIME choose a picture of a Thai girl for the cover?" Rawi asked.

The article was part of the magazine's special report on adult and child prostitution around the world. Its publication coincides with the World Conference on Human Rights, currently in session in Vienna.

Rawi said Thailand had long acknowledged the problem and the government was putting a great deal of effort into dealing with it. He said the effort included educational campaigns to raise awareness among the poor so that prostitution would not be seen as the only escape from poverty.

In the article by Margot Hornblower, she reported: "Historically authorities have winked at the world's oldest profession." "If 100,000 German men a year choose to visit Thailand on package sex tours, who is the object?" "Only recently has anyone begun to ask how many of Thailand's two million prostitutes are minors, how many have been sold by parents or husbands as indentured servants to brothel owners; and how many have been kidnapped from villages in Burma, Laos and southern China," the article said.

Minister, U.S. Industry Official on Tape Piracy

BK2306021193 Bangkok BANGKOK POST in English 23 Jun 93 p 15

[By Somphon Thaphanachai]

[Text] Commerce Minister Uthai Phimchaichon has assured U.S. recording companies that pirated tapes are being removed from the Thai market and that the Government will continue seriously with its crackdown. But he also warned for the first time that copyright protection is a delicate political issue and that continual pressure for trade sanctions against Thailand is unproductive and could jeopardise the effort.

"I will not allow myself nor my country to be held hostage by constant external threats," he said in a reply to complaints from Jason Berman, president of the Industry Association of America, about the reappearance of pirated tapes on Thai streets. "They are, in my view, unproductive and could jeopardise the delicate internal balance of often antagonistic and opposing elements. This balance is a necessary condition for any success in putting down piracy in Thailand and it needs to be maintained. "I hope you agree with me that in the final analysis, an imposition of a trade sanction means that all of us, both in Thailand and the U.S., fail in our task."

He also accused representatives of the U.S. recording companies of failing to be frank and effective in expressing their more recent concerns. "The concerns that you conveyed to me could have been addressed sooner and in a less roundabout manner," Mr Uthai said. Mr Uthai's comments are contained in a letter sent this week to Mr Berman, with copies also sent to U.S. Trade Representative Mickey Kantor in Washington and to David Lambertson, U.S. Ambassador in Bangkok.

The minister has been criticised for yielding too easily in negotiations in Washington at the beginning of May, and for failing to raise Thai objections to some U.S. demands. His latest letter is a reply to a complaint from Mr Berman who said in a strongly-worded note earlier this month that pirated audio tapes were reappearing in Bangkok and other Thai cities.

Mr Uthai said the tapes that were reappearing were old tapes and that the outlets selling them have shifted from stores to street-side stalls. "Major manufacturers-distributors, on the other hand, have had very little activity," he said. Mr Uthai added that copyright-holding record companies had confirmed an 80 percent increase in sales of copyrighted tapes in May compared with May of last year.

Mr Berman, in his letter dated June 9, said the reappearance of pirated music cassettes "is, as you can well imagine, a very unwelcome development. We will not tolerate it". A copy of the letter was also sent to Mr Kantor. Mr Berman acknowledged that Mr Uthai was preoccupied with the censure motion in Parliament, but reminded the minister of the commitment given in the Washington talks to continue the crackdown on piracy.

"I understand that due to the political developments... you have not been able to focus or continue anti-piracy actions as discussed in Washington," Mr Berman said. "As you are well aware, our decision not to request the imposition of trade sanctions was based on your personal commitment to effectively deal with this issue. We will not sit idly by and watch conditions deteriorate. "I offer this, not as a threat, and I trust that you will not take it as such. Rather it is my sense that frank and open communication is an essential ingredient of our relationship and of effectively dealing with piracy."

Mr Berman urged Mr Uthai to "take all necessary actions in the very near term before the recent re-emergence of pirate product takes on trade consequences. Mr Berman also complained about the recent decision to bring audio and video tapes under the price control law. He said he did not question Mr Uthai's administration of the law, but "we are extremely troubled by the possibility of abuse by others. "I urge you therefore to delete the reference to pre-recorded music in the price control regulations."

The Commerce Ministry argues that bringing tapes under the regulations will help control piracy. The regulations allow officials to require controlled products to be properly labelled, a move that the ministry believes will make piracy more difficult. The record industry counters that the regulations are too restrictive.

In his letter, Mr Uthai told Mr Berman that Bangkok representatives of the International Federation of the Phonographic Industries [IFPI] "admit that major producers of pirate sound recordings have been effectively deterred from manufacturing such pirate products." The IFPI representatives also confirmed that sales of copyrighted tapes rose from about 100,000 in May last year to 180,000 last month, he said. He did not refer to Mr Berman's complaint about bringing tapes under the price control law.

Foreign Officials Witness Destruction of Fake Goods

BK2206140293 Bangkok Army Television Channel 5 in Thai 1200 GMT 22 Jun 93

[Text] Government authorities destroyed fake products worth over 4.6 million baht to emphasize Thailand's intention to tackle the intellectual property rights problem. Police Lieutenant General Phongamat Amattayakun, the deputy police chief, and police officials successfully prosecuted 313 cases of production of fake goods which violated rights of patent holders involving 9,467 watches, 2,664 leather products, and 8,200 articles of clothing. The destruction was witnessed by officials from several embassies and representatives of affected foreign companies.

Cairns Group To Warn GATT on U.S.-EC Subsidy Cuts

BK2306021793 Bangkok THE NATION in English 23 Jun 93 p A1

[Report on interview with Deputy Prime Minister Suphachai Phanitchaphak by unidentified THE NATION correspondent(s) on 22 June; place of interview not given]

[Text] The Cairns Group of agricultural exporting countries will warn the 111-member GATT multilateral trade forum not to base its trade talks on the Blair House Accord, an agreement on farm subsidy cuts recently reached by the United States and the European Community (EC), Deputy Prime Minister Suphachai Phanitchaphak said yesterday. In an interview with THE NATION, Suphachai warned that if the GATT members accept the Blair House Accord as a basis for negotiations on farm subsidy cuts, it will amount to a "multilateralization" of the bilateral agreement.

The 14-member Cairns Group will hold a meeting in Bangkok between June 26-27 to discuss ways it can help successfully conclude the Uruguay Round of multilateral trade talks before the end of this year. The Cairns Group consists of Australia, Argentina, Brazil, Canada, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, the Philippines, Uruguay, and Thailand.

Suphachai said the Blair House Accord, though promising to cut domestic farm subsidies by 20 percent, fails to identify the specific agricultural products earmarked for subsidy cuts and thus creates room to offset subsidy cuts of one product by increasing the subsidy to another. The Uruguay Round of trade liberalization talks, under the auspices of the General Agreement on Tariffs and Trade (GATT), has run into a snag over farm subsidies, a contentious issue between the United States and the EC that has stalled the round's successful conclusion.

Under the GATT framework for overall tariff reductions, developed countries should cut farm subsidies by 36 percent, compared to 24 percent for developing countries, over a specified period. Suphachai said the Cairns Group is afraid if the GATT relies on the Blair House Accord in the farm talks, the developed countries might start a "rebalancing" act of shifting their subsidies to other products within the basket of 20 percent subsidy cuts. "It runs counter to the spirit of GATT," he said.

Suphachai said Thailand will play an active role during the meeting by asking the Cairns Group to come up with identifiable guidelines so that the developed countries cannot continue to subsidize their farm products through other forms. Suphachai said the PL 480 programme of the United States was an example of another form of subsidizing the US domestic agricultural sector by providing credit or selling rice at low prices to US trading partners. "In fact, this programme is offering export farm subsidies to the local industry," he said.

But Thailand would like the GATT to allow subsidies in developing countries to continue during the transition period when they implement crop-substitution programmes in areas where narcotics are now being produced. All the agreements arrived at by the Cairns Group will be proposed to the G-7 at the summit in Tokyo next month. The group will also call for the G-7 countries to agree to a framework within which the round can be realistically concluded by the end of this year.

The Cairns Group will send the message through Canada, which is also a member of the exclusive club of the seven richest countries. It is targeting the agricultural reform policies of the world's major industrialized countries. The Cairns Group will call for GATT not to exclude any particular farm product from the tariffication programme, under which members must table the steps by which they convert non-tariff barriers into tariff barriers and then systematically cut down the tariffs.

Suphachai is afraid that if countries start to request the placing of some products in the exclusion list—like Japan and Korea asking for an import ban on rice, Canada for dairy products, and the EC for bananas—it will lead to others making unending similar requests. "The problem will then be similar to what AFTA [ASEAN Free Trade Agreement] is now experiencing," said Suphachai. He said some provisions should be made for developing countries to give them breathing space before they fully open their markets to agricultural imports.

Forestry Science Agreement Reached With PRC

BK2306021993 Bangkok BANGKOK POST in English 23 Jun 93 p 17

[Text] Thailand and China have agreed to cooperate on forestry science and technology in a bid to boost China's timber production capacity. Chinese Vice Minister of Forestry Shen Maocheng yesterday said China offers attractive opportunities for Thai and foreign investors to develop forestry projects.

Mr Cheng was speaking after a signing ceremony between Thailand, represented by Deputy Agriculture and Cooperatives Minister Suthep Thuaksuban, and China on forestry activities at the Agriculture Ministry. Under the agreement, China and Thailand will cooperate on technical assistance including information exchange, publications and other relevant documents on forest science, tree seedlings and biological materials.

"Chinese economic forestry has been much more developed during the past 2-3 years and is still wide open for foreigners to invest in by cooperating with Chinese authorities" said Mr Cheng. Moreover, with its increasing population, China has high demand for wood while its production capacity remains low .

As a result, the Chinese Government has a policy of welcoming investment from foreign countries which use high technology to develop their forests. In addition China needs to develop its pulp industry more to increase its productivity to meet local demand. Economic forests are the main sources of raw materials for the industry.

Apart from industrial demands, China needs 25 million rai of forests to preserve soil and water sources. The administration has a policy to plant about 41.25 million rai of fast-growing trees such as poplar and eucalyptus by the year 2000. Major areas of forest planting in China are in the northeastern and coastal provinces. China produces about 48 million cubic metres of wood per year. According to the Vice Forestry Minister, China and

Thailand have similar forestry problems, but Thailand with its progress in forestry science can help China develop its knowledge.

He said businessmen from Japan, New Zealand, Australia, Indonesia and Thailand have invested in forest projects in China in the past few years, particularly for fast-growing trees for supply to pulp factories. He said Thai Kitti Forestry Co has a joint venture with China to plant 200,000 rai of eucalyptus in Guangdong province for the pulp industry, and there is a joint venture between Thailand, Japan and China to plant 1.2 million rai of eucalyptus in the same province. Mr Cheng will return to China on Monday.

PRC's Hainan Governor Arrives for Visit 20 Jun

BK2206092993 Bangkok ZHONG HUA RIBAO in Chinese 21 Jun 93 p 4

[Excerpts] Hainan Provincial Governor Ruan Chongwu and his 10-member delegation of the Hainan provincial government arrived at Don Muang Airport from Singapore on 20 June for a visit at the invitation of the Tourism Authority of Thailand [TAT]. The delegation was welcomed at the airport by TAT Deputy Governor Wirakiat; Chinese Ambassador to Thailand Li Shichun; Zheng Mingru, chairman of the Chinese Chamber of Commerce; Zheng Youyin, chairman of the Hainan Association of Thailand; and 10 other executives of the association. Later, they held cordial talks at the VIP room of the airport. [passage omitted]

Hainan Governor Ruan Chongwu began his tour of Singapore and Thailand on 16 June. He visited Singapore to observe economic activities at the invitation of Singapore's Economic Development Board. His visit to Thailand is to observe tourism business, to learn advanced experiences, and to hold contacts with entrepreneurs and tourism businessmen to explore economic cooperation between Hainan and Thailand.

Trade With ASEAN Increases; Overall Deficit

BK2306090793 Bangkok SIAM RAT in Thai 21 Jun 93 p 9

[SUMMARY] According to a report from the Business Economics Department, the value of trade between Thailand and ASEAN countries over the past five years was 12 percent of Thailand's overall trade value. There was an increase from 109,508 million baht in 1988 to 236,810 million baht in 1992, or an average of 20 percent annually. The average increase was 20 percent for exports, and 21 percent for imports. Thailand's trade deficit with the ASEAN countries was at an average of 27,000 million baht annually. Thailand suffered deficits in trade with all ASEAN countries except the Philippines. Thailand's major exports to ASEAN countries are industrial products, including computers, accessories, and parts, electronic integrated circuits, rice, sugar, printing circuits, diode transistors, and semi conductors. Major imports from ASEAN countries are industrial machinery, crude oil, paper pulp, and wood.

Burma's SLORC Cited for Human Rights Abuses

BK2106022593 Bangkok THE NATION in English 21 Jun 93 p A6

[Editorial: "Slorc's cycle of vioence in Burma has to be broken"]

[Text] On Saturday, Burma's democracy heroine and Nobel Peace Prize winner Aung San Suu Kyi turned 48. While the country's most prominent political prisoner spends her birthday under house arrest, representatives of the military junta which imprisoned her are attending the United Nations World Conference on Human Rights in Vienna.

Suu Kyi has been under house arrest in Rangoon since July 1989. She won the Nobel Peace Prize in 1991 for her non-violent opposition to the Burmese junta, which came to power after soldiers crushed prodemocracy demonstrations in September 1988. The ruling military junta, the State Law and Order Restoration Council (Slorc) refused to recognize a landslide opposition victory in May 1990 elections in which her party—the National League for Democracy—was the big winner.

As long as agents of repression believe they can kidnap, torture and murder without fear of discovery or punishment, the cycle of violence throughout the world will never be broken. Sadly this of true of Burma. The people inside the country are still being ruled by fear and power is still gushing from the barrel of the gun. Torture is still widespread under the rule of Slorc, which goes against Article 5 of the Universal Declaration of Human Rights which clearly states: "No one shall be subjected to torture or cruel, inhuman or degrading treatment or punishment."

Lately Slorc has been attempting to gain legitimacy by holding a so-called National Convention. Many delegates to the convention were hand-picked by the military junta. Representatives who were elected during the 1990 poll were allowed to participate but they only formed a minority and their discussions for the drafting of the Constitution were controlled by strict convention rules and regulations.

Despite these measures, it has been reported that Slorc's self-imposed guidelines to legitimize the leading role of the armed forces in the future of politics in the country was strongly resisted by some delegates. The national convention has been adjourned two times since its opening, indicating that Slorc's attempts to solidify its military rule are not being accepted by the genuine delegates.

Slorc's strenuous efforts to enshrine its rule by means of a national convention and to reach a supposed cease-fire with the ethnic minorities based solely on Slorc's terms will not resolve the political problems that Burma faces today. It is essential to improve the human rights situation in Burma and to achieve a just "political settlement" through a process that involves the participation of all parties concerned on the basis of equality. The current stalemate in the political development of Burma urgently requires the international community to impose proper political and economic sanctions on the military junta to ensure that Aung San Suu Kyi is released unconditionally and to prevent further terror and bloodshed in Burma.

As part of the emergent world order, a new morality must be codified to allow preventive intervention against abuses carried out by governments against their own people. The charge of "human rights imperialism" against local cultural norms is not a valid argument against the right to intervene. Human rights are human rights and freedom is freedom. It is the same everywhere.

It is time Slorc realized that the current repression sustained by violence, cruelty and torture will only prolong the uncertainty of Burma's future as a nation.

Investment Up 8.1% to U.S.$50 Billion

BK2306013993 Bangkok THE NATION in English 23 Jun 93 p B12

[Text] Finance Minister Tharin Nimmanhemin has reaffirmed "very good" prospects for investment in Thailand this year, and forecast that the private and public sectors will plough about Bt1.25 trillion [approximately 50 billion U.S. dollars] into the economy. In his address to the National Defence College on June 18, Tharin said the huge level of investment will be equivalent to 38.6 per cent of the gross domestic product, the combined output of goods and services.

Of the total, private sector investment accounts for Bt955 billion and public sector investment for Bt300 billion. About half of the Bt300 billion public sector investment represents investment by the state enterprises.

Tharin said private investment, one of the main engines of Thailand's economic growth, is expected to grow at a sustainable 8.1 percent. The growth rate of investment in machinery will be the highest at 8.9 percent, but investment in the construction industry will grow at 6.8 percent.

He based his estimate of machinery investment growth of imports of capital goods, which is growing at a rate of 26 percent, the recapitalization of companies registered at the Commerce Ministry advancing 35 per cent, and investment projects seeking Board of Investment promotional privileges at 58 per cent. He said investment is picking up from the end of 1992.

Tharin said on the public sector side, the government has earmarked Bt171.6 billion, or 30.6 per cent of the total 1992 fiscal budget, for direct investment to bolster infrastructure or development programmes. The investment ratio of the total package is the highest level in 30 years.

This year the government will increase the investment package further by setting aside 31.3 per cent of the 1994 fiscal budget for development projects. This amounts to about 5.5 percent of the GDP, he added. Actual disbursement has always been the problem in the public sector because of the bureaucratic process of implementing projects even after they have received all the necessary approvals.

The government is expected to spend about 50 per cent of the total investment package or Bt85 billion, including another Bt65 billion in carry-over investment from the 1992 fiscal budget. Thus in the fiscal 1993 budget, public sector investment will reach about Bt150 billion.

In fiscal 1993, state enterprise investment will amount to Bt201.73 billion, of which Bt86.33 billion will go to the energy sector. Actual disbursement of state enterprise investment, however, will be about Bt142.63 billion, up 15.6 per cent from the previous fiscal year.

Tharin said the government is in a good position to mobilize funds for public sector investment because its domestic and foreign debts remain low. Public sector debts are equivalent to about 3.5 percent of the debt service ratio, compared to a peak of 11 percent in 1985. The public sector's domestic debts are equivalent to 10.8 per cent of the fiscal budget, compared to 24.7 per cent about six years ago.

The Thai Government has strengthened its fiscal position over the past 10 years and improved its credit rating which enables it to raise money more cheaply and conveniently than in the past. It has also managed a fiscal surplus over the past five years, making it possible to use fiscal policy as a vital tool to stimulate the economy.

Most of the investment of the state enterprises is derived from their own earnings, about 40 percent of the total. The rest comes from domestic borrowings, foreign borrowings, and the fiscal budget.

Investment Growth Low in First Quarter

BK2306091193 Bangkok Army Television Channel 5 in Thai 1200 GMT 19 Jun 93

[Summary] The investment recovery in the country during the first quarter was rather slow. However the government believes its regional investment promotion program will help improve the situation. The Board of Investment [BOI] reported that the investment growth during the period was only 6.5 percent—two percent higher than that of the corresponding period last year. One hundred and thirty-four projects have been granted promotional privileges. Most of the investment came from domestic sources.

BOI deputy secretary general Chakchai Phanitchaphak, attributed the investment slowdown to the lack of infrastructure facilities and skilled personnel. However, the budget of over 700 million baht set aside by the government for exploring investment opportunities in all provinces will encourage more investment projects in regional areas.

Cabinet's Role in Infrastructure Investment Viewed

BK2206022593 Bangkok THE NATION in English 22 Jun 93 p B16

[By Phana Chanwirot]

[Text] The government policy concerning the state's role in investment in a mass transit system and the expressway remains, at best, confusing and directionless.

As noted before, it is all very well for each minister to spell out his own policy. But there are simply too many ministers with too many ideas. Their proposals are not only incompatible but destructive since interested investors are unable to see a clear national guideline. Creditors, meanwhile, remain edgy about the whole affair if they haven't simply run away.

The lack of consensus and the tendency—as one observer put it—for members of the government to act in tribal-like manner has been well demonstrated in the costly dispute between the State-owned Expressway and Rapid Transit Authority of Thailand [ETA] and Bangkok Expressway Co [BECL].

In this case, not only has the opening of the first phase of the second stage expressway been effectively stalled, but the country's financial reputation has been damaged.

The following are the agendas of the concerned ministers and relevant committees when dealing with mass transit, the expressway and other infrastructure issues:

—Deputy Prime Minister Dr Amnuai Wirawan believes infrastructure projects should be totally private undertakings whenever possible under concession terms.

—Finance Minister Tharin Nimmanhemin believes new mass transit schemes should be joint-venture investments between the public and private sectors.

—Deputy Prime Minister Bunchu Rotchanasathian believes the proposed underground mass transit system should be a private undertaking. The private investors may get financing from the State in order to improve the economic feasibility of the investment.

—The Land Transport Management Committee, chaired by former finance minister Dr Wiraphong Ramangkun, says the government should invest in mass transit infrastructure first to avoid delays and should let the private sector operate the system.

—The Expressway and Rapid Transit Authority of Thailand says the private sector should make the initial infrastructure investment, but the state should operate the system.

And amidst these myriad points of view, there is continuous bickering among Cabinet members about who and which organizations should be responsible for the various projects. There is also a tendency for each to go their own way despite the lessons of the past.

As Bunchu once conceded, "The Skytrain is up there, while the subway train is underground. How can it (the subway) affect anything?"

Anyone who can make heads or tails out of all of this should be commended.

Yet, there will be a light at the end of the tunnel if a consensus can be established among the ministers. The National Economic and Social Development Board has ideas that could aid the Cabinet in its search for the consensus but the planning agency has not been forceful enough in presenting them to the government and to the public.

The ministerial consensus has become particularly urgent to help new ETA Governor Sukhawit Rangsitphon proceed in his negotiations with Bangkok Expressway Co to get the first phase of the second stage expressway opened and the investment in the second phase started. Almost everyone recognizes the need to get the urban network complete as soon as possible.

The dispute between the ETA and BECL betrays Thailand's inexperience the "build, operate and transfer" (BOT) concept that lies at the heart of privatizing infrastructure investments. The people concerned have yet to come to terms with the notion and still have not found a formula that will produce the best results for commuters.

The disputes in the second stage expressway are difficult to resolve since the gap between the benefits and costs for the two parties involved is getting wider. So far, the ETA not only has to shoulder the skyrocketing land costs, but it is also seeing its future revenue drastically cut—where the toll fee has been raised to Bt [baht] 20, the agency will earn only Bt2. BECL is also affected since the future of the ETA sinks into deeper financial crisis.

One way out that has been suggested is that the BOT concept, as exercised elsewhere should be abandoned for infrastructure projects where land expropriation is needed. Instead, there should be joint investments between private and public concerns, in the same manner as was formed for the "Skytrain" (Lavalin International Co).

Sukhawit may explore this joint-venture notion in his bid to break the impasse with BECL. If ETA is part owner of the second stage express way, then the disputes about who should operate, who should bear the cost overruns and who should have the rights to develop areas under the expressway will dissolve.

Foreign Minister Prasong Visits Poland, Romania

WA2206140793

For reportage on the visit by Foreign Minister Prasong Sunsiri to Poland and Romania, including reports on his talks with Polish Prime Minister Hanna Suchocka and Romanian Foreign Minister Teodor Melescanu, please see the Poland and Romania sections of the 21 June East Europe DAILY REPORT and subsequent issues.

Vietnam

Investment Law, Effect on Investors Viewed

BK2206014593 Bangkok THE NATION in English 22 Jun 93 p A6

[By Kulachada Chaiphiphat]

[Text] While Vietnam's 1987 foreign investment law now looks attractive enough to draw more foreign investments especially in the export-led industry and infrastructure, still there are some ambiguities and the problem of enforcement that may scare off investors.

Vietnam's 1987 Foreign investment law allows for 100 per cent foreign ownership but an additional clause to Article 14 gives the right to buy back the capital of any enterprise owned by foreigners in vital economic sectors to the Vietnamese.

A senior official of the Board of Investment (BoI) pointed out that this clause has being negative [as published] to the status of 100 per cent ownership through foreign direct investment in Vietnam (FDI).

Article 14 deals in general with the definition of enterprises with 100 per cent foreign owned capital.

BoI Assistant Secretary General Chakamontha Phasukwanit said the amended law was not clear about the manner through which a Vietnamese business organization could buy back the capital of an enterprise totally owned by foreign interests.

But according to Deputy Secretary General of Vietnam's State Committee for Cooperation and Investment (SCCI) Nguyen Mai, this is left to the contracting partners to settle first before concluding a deal.

Chakamonth and Nguyen Mai attended last week's seminar in Bangkok to scrutinize Vietnam's amended foreign investment law, the second since 1987. The one-day seminar organized by the Manager Publishing group attracted some 200 participants from the Thai private sector as well as Bangkok-based diplomats and foreign companies.

Nguyen Mai, also Vietnamese deputy minister attached to the Prime Minister's Office said Hanoi held firm to the principle of mutual agreement above anything else and the responsibility of the govemment to protect the interest of foreign investors in all business deal.

Still his explanation did not clear suspicions why Vietnam had to add this clause to the law at a time when the country was driving hard to woo heavy and long-term investment in solving its infrastructure problems, the major impediment to economic expansion.

"It would have been better if the amended law had as a footnote an explanation on how foreign owned capital would be bought back to avoid the misunderstanding that the government would seek to take over foreign business at will," said Chakamonth.

The BoI senior official however admitted the newly-amended law offered more incentives and more flexibility than before for doing business in Vietnam. The amended law, the second, was approved by the National Assembly on Dec 23, last year. The first amendment was adopted by the assembly on June 30, 1990.

The law was followed by the passage of the government's decree No 18 to implement it on April 16 this year which included several provisions dealing giving clear distinctions between contractual business cooperation, joint ventures, and foreign direct investment or enterprise with 100 per cent foreign capital as well as provisions dealing with export processing, tariff procedures, financial matters and ways to settle disputes.

Chakamonth described as positive six clauses added to a number of articles in the amended law, most importantly the accordance of equal tariff treatment and privileges enjoyed by joint venture forms of businesses to the 100 per cent foreign owned enterprises.

In the original law of 1987, foreign direct investment received fewer benefits and preferential tariff treatment than those who entered into joint ventures.

They also included the following:

The extension of the enterprise duration from 20-30 to 50-70 years on a project by project basis (Article 15) which would help reduce the cost of land leasing and thus investment cost for investors. Foreign invested or joint venture business may open borrowing accounts with overseas banks to allow fluidity in acquiring capital (Article 17).

Export processing zones were offered to contractual businesses, joint ventures and foreign owned enterprises (Article 1 9a). The government offered higher incentives to those who signed newly- formed Build-Operate-and-Transfer infrastructure projects (19b).

The new law would not have a retroactive effect on the interest of foreign business and the government would take adequate measures to protect the interests of investors (Article 2 1).

Chakamonth, also chief of BoI's Indochina Section said Vietnam's recent liberalizing of its investment law firstly indicated its responsiveness towards pitfalls brought about by its joint ventures with foreign partners.

Chakamonth said between 30 and 50 per cent of this type of business which had been on trial in the past three to four years failed to generate economic expansion due to differences and disagreements over objectives, styles of management and concepts between the contracting partners.

He added that finally Vietnam realized that wholely owned foreign enterprises would be able to iron out those wrinkles.

According to the amended law, an enterprise with 100 per cent foreign capital is one wholly owned by a foreign organization or an individual, established in Vietnam and fully managed, with success or failure being its own responsibility.

Secondly, he believed that a competitive environment fuelled by its rival China courting investors from Taiwan, Hongkong and South Korea also played a part in the liberalization of the law.

As part of its policy to develop the remote southern belt, Beijing had drawn up several commercial and financial laws to lure major investors in the region.

Thirdly, he said Hanoi's policy to expedite the export-led industry and improve the greatly-needed infrastructure also played an important role in liberalizing the law. In relation to this, Chakamonth said Vietnam places emphasize on export procession to encourage the flow of other fomms of captial into country.

Nguyen Mai however admitted while measures had been taken by the government to boost the confidence of investors, effective enforcement of the law was still unsatisfactory.

He attributed this drawback to the country's bureaucracy, corruption and inexperience of Vietnamese officials in handling business deals. Which helps to explain why Vietnam is still far from international standards in doing business, said the Vietnamese minister.

Nguyen Mai cited the government's several attempts to trim down red-tape in acquiring the business contracts.

The minister also raised four key economic sectors subject to highly favourable tariff treatment as infrastructure projects, exploitation of natural resources and production, export-led industry, the tourism and hospitality sector, and fisheries.

For example those who invested in the hospitality industry, would pay a 15 per cent corporate income tax and would be a given two-year tax holiday after the completion of the project with a taxation waiver of 50 per cent in the following year until ownership is returned to the government.

The reduction of tax would be even deeper for projects of vital importance to the growth of the Vietnamese economy, and would help investors to reap profits faster than normal procedures.

Nguyen Mai described Vietnam's current economic situation as quite stable compared to what it was in the last five years. The inflation rate was being contained at 4.3 per cent in the first half of this year, against 15.2 per cent last year and over 100 per cent in 1989 Exports accounted for 25 per cent of the Gross Domestic Product last year and 17.6 on the first half of this year without a trade deficit. Last year Vietnam's industries expanded at the rate of five per cent, rising to 10 per cent in the first half of this year.

He said the economic performance was quite impressive despite the US economic embargo imposed in 1975. Vietnam recorded a total arnount of US$6,000 million worth of foreign investment.

Nguyen Mai's visit came as the government's effort to expedite economic expansion was still being hamstrung by the lack of foreign loans and assishance from world financial institutions, only possible once the US lifts its two-decade-long economic embargo on its former foe.

"Selling to strangers and buying from the neighbours," goes a Vietnamese proverb quoted by Nguyen Mai in wooing investors in the region including Thailand still not in the top-10 list of foreign investors in Vietnam.

Not only did Thai investors miss out in the list, Thailand also lost out to its Asean rivals Singapore and Malaysia despite its experience in infrastructure construction which is now highly profitable.

Thai investors at the seminar displayed their eagerness in wanting to know more about the investment climate and conditions prevailing there as indicated by the barrage of questions they directed at the Vietnamese delegation.

But as BoI official Audsit Soithong who was at the seminar put it Vietnam has a lot of unknown and unclear regulations which can only be found out at the the negotiating table.

His advice to interested Thai investors is take courage and go there and bargain hard with potential partners.

Vu Mao 'Recapitulative' Report on Voter Views

Part One of Report

BK2206103193 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 18 Jun 93

[First part of recapitulative report on nationwide voter views presented to National Assembly Third Session by Vu Mao, on behalf of the National Assembly Standing Committee, at the opening session of the Ninth National Assembly—announcer read]

[Text] Dear National Assembly Deputies,

Article 97 of the SRV 1992 Constitution and Article 43 of the Law on the Organization of the National Assembly stipulate that National Assembly deputies will have contact with the voters. To concretize this matter, Article 24 of the Regulation on National Assembly Sessions specifies that prior to and after the National Assembly sessions, the deputies must contact the voters to gather their opinions and aspirations and report to them the result of the last National Assembly session. At least five days before the opening of the National Assembly session, the National Assembly constituent delegations must send their recapitulative report on voter views to the National Assembly Standing Committee so that the committee can compile and report on nationwide voter views to the National Assembly.

In implementing the aforementioned regulation on National Assembly sessions, the National Assembly Standing Committee is now presenting a recapitulative report on nationwide voter views to the Third Session of the Ninth National Assembly. This report reflects the constituent contacts of the National Assembly delegations and voters' opinions collected through activities of the National Assembly Nationalities Council and National Assembly Committees, through mass media means, and through letters directly sent to the National Assembly.

Before this third session, the National Assembly delegations organized public meetings so that the deputies could contact the voters, inquire about public feelings and aspirations, and listen to opinions and suggestions of the people from all walks of life. The public meetings were held with close cooperation between the National Assembly delegations with the Vietnam National Front, standing people's councils, people's committees, and mass organizations. The meetings have actually become a useful activity and won the attention and active participation of many voters.

The deputies reported to voters on the agenda of the National Assembly Third Session and reviewed their efforts to settle voters' demands and suggestions from previous contacts. Generally speaking, the voters expressed their contentment in meeting the deputies again. They held that the activities of National Assembly deputies have improved. The deputies have made many efforts to contact the voters, inquired about their feelings and aspirations, and helped to solve urgent public problems.

In an atmosphere of democracy, openness, and straightforwardness many voters voiced their support for the party and state's line and policy on accelerating economic development, broadening democracy, and gradually stabilizing and improving people's living standards. They also contributed many practical opinions to help government organs to overcome limitations and shortcomings for better implementation of government duty and responsibility. Many opinions mentioned urgent problems in the socioeconomy, national defense, security, and fighting against corruption and smuggling. Especially, they even suggested many concrete measures to the National Assembly, state, and governments at all levels to untangle current difficulties and knots to sufficiently solve issues relating to the national planning and living conditions.

I. Voters' General Evaluation of the National Situation:

The voters in the entire country are happy to realize that the national socioeconomy has made much active progress; social order and safety have been maintained; people's living conditions improved step by step; market commodities have become abundant; and prices fairly stabilized. In 1992, for the first time in many years, the nation accomplished and overfulfilled many important targets of national planning. The economy has been experiencing a relatively high development rate. Inflation continues to be pushed back. The inflation rate reduced from 70 percent in 1991 to about 17 percent in 1992. These achievements are important preconditions to gradually extricate the country from crisis for further advancements.

The voters welcome our party and state's policies that meet the people's expectations, namely, the agriculture promotion policy, campaign to eliminate starvation and reduce poverty, and movement to repay good deeds to people who rendered meritorious service to the nation. These acts have contributed to consolidating the great national unity block, stimulating our tradition of patriotism and kindness, and confirming our people's moral values of while drinking water, we must remember its source and the rich must help the poor.

The voters also welcome recent resolutions on social welfare policies of the party Central Committee, especially the Fourth Party Plenum Resolution. They hope that the government organs will quickly institutionalize these policies into laws and apply practical measures to bring those resolutions to life.

Apart from things that have won welcome and support, voters also pointed out the limits and shortcomings that must be overcome by all echelons and sectors from the central to grass-roots levels. In general, what voters in all localities are concerned about is the poor results of the struggle against corruption and smuggling. Efforts have not yet been made to promptly resolve many burning issues concerning the employment and livelihood of teachers, retirees, and those entitled to social welfare policies. The management efficiency of various state administrative organs remains low. Functions between state administrative management and production and business management have not yet been clearly defined. State discipline and law are not strict enough. Complaints and denunciations by citizens have not yet been promptly and definitely settled. Bureaucratism and authoritarianism are still widely prevalent in the state machinery. Social vices have slowly been weeded out.

II. Voters's views on the activities of the National Assembly and Government:

1. Regarding the National Assembly, in the trends of renovation and democracy, voters tend to attach ever greater interest to the activities of the National Assembly. This interest encourages and also calls on the National Assembly to continue moving forward to perform its functions and duties even more satisfactorily.

Voters nationwide welcome the many important things that have been done by the Eighth National Assembly to help advance the country's renovation process, especially the promulgation of the 1992 constitution to institutionalize the party's platform and strategy for socioeconomic development in the new revolutionary stage.

The Ninth National Assembly has inherited the democratic and thoughtful work methods with a high sense of responsibility to the people of the Eighth National Assembly and its predecessors. Apart from this, the Ninth National Assembly has continued changing its organizational and operational methods with the aim of fulfulling ever more satisfactorily its functions and duties as the highest organ representing the people.

The assignment of additional deputies to be responsible for streamlining the organizational structure of groups of National Assembly deputies in all localities and improving the work methods of the standing committee, the nationalities council, and other committees of the National Assembly has actually helped increase the efficiency of the National Assembly's activities.

In many localities, the system of National Assembly deputies meeting with voters has been modified and put onto the right track. However, many voters held that in the recent past, despite progress in the National Assembly's legislative activities, progress which has contributed significantly to establishing new mechanisms and administering the country, some legal documents have only slowly been applied to life. Some of them, however, maintained that a number of stipulations in certain legal documents are apparently not practical to life.

What concerns voters the most is the fact that they considered the National Assembly's supervisory activities as remaining weak in general and still unable to cover all domains of social life or to focus on various burning issues of concern to the general public. Many voters were of the opinion that the National Assembly should adopt strong measures to ensure the efficiency of the struggle against corruption and smuggling. Some of them even suggested that the National Assembly establish a special committee to look into this important problem. Voters also suggested that the National Assembly change its supervisory activities and adopt more effective supervisory measures.

Voters held that the decision on the state budget is one of the National Assembly's important tasks. In the recent past, this task has further been improved as the National Assembly has spent much time discussing it before officially making a decision. However, the National Assembly should change its evaluation criteria and decide on budget distribution to ensure a harmonious balance among all echelons, sectors, and localities.

Voters also maintained that it is strictly necessary to ensure openness and democracy in order to make it possible for the National Assembly to decide more satisfactorily on budget distribution. After the budget is distributed, measures should be adopted by the National Assembly to strictly supervise spending, as well as to guard against waste and enforce thrift among all echelons and sectors.

Part Two of Report

BK2306101193 Hanoi Voice of Vietnam Network in Vietnamese 0800 GMT 18 Jun 93

[Part two of recapitulative report on nationwide voter views presented to Ninth National Assembly's third session by Vu Mao on behalf of the National Assembly Standing Committee at the opening session on 16 June—read by announcer]

[Text] Organizations and activities of National Assembly deputy delegations have been perfected a further step. To bring the role of National Assembly deputies into full play, the voters contend that efforts should be made to increase the number of deputies working for various National Assembly specialized teams; that work regulations for National Assembly delegations and Fatherland Front Committees in provinces and municipalities should be formulated; and that duties, authority, and relations between National Assembly delegations and various echelons of people's councils, state agencies, economic units, and mass organizations be specified.

In some localities, voters are not satisfied with activities of National Assembly deputies because the latter tend to distance themselves from the people while failing to make great efforts to fulfill their duties. At various meetings, voters have frankly criticized and contributed ideas to these deputies. The voters also made suggestions that the National Assembly should design a mechanism and formulate concrete stipulations to enable voters to effectively monitor and control activities of deputies elected by themselves. Most voters wish that Ninth National Assembly deputies would enhance their sense of responsibility and stay closer to the people to learn about their aspirations so as to better fulfill the lofty mission of National Assembly deputies.

Regarding the government, voters throughout the nation are elated to note that during the past period, government work has scored remarkable progress. Various government measures aimed at curbing inflation and stabilizing prices have had a good impact. Activities aimed at broadening international cooperation and increasing foreign investment have scored initial concrete results. The fact that Prime Minister Vo Van Kiet pays official visits to a number of countries in the region is a positive contribution to our foreign affairs activities. Moreover, voters nationwide hope that the government will enhance the efficacy of state administrative work, and formulate uniform and effective measures to restore order and safety in various aspects of production and the daily life.

In various meetings with the voters, the following issues were specifically raised:

First, efforts should be made by the government to quickly reform the national administration system as stipulated in various party documents and resolutions of the National Assembly. A number of deputies contend that in reforming the national administration system the following requirements should be fulfilled:

—enhance the efficacy of state agencies from the central to grass-roots levels.

—clearly define the authority and responsibility of each state organization and office.

—reduce red tape in the administration.

The voters contend that in each specific aspect, it is necessary to have an authorized agency to resolve pressing issues to avoid setbacks in carrying out tasks. Efforts should be made to fix the period of time spent to settle requests made by the people. For instance, issuing business licenses should be done within 10 days. Efforts must be made to formulate civil servant regulations, and train and organize refresher courses for our civil servant contingent.

Second, the government should quickly concretize various legal documents of the National Assembly and its Standing Committee. At present, although a number of legal documents have been promulgated, their application to daily life has been carried out very slowly due to a shortage of government guidance.

To overcome this shortcoming, when we formualate draft laws we should immediately formulate guidance for implementing these laws.

Third, the government should review, supplement, and amend legal documents which are at variance with the new mechanism. Voters contend that efforts should be made to avoid duplication of legal documents and regulations.

National Assembly Issues Communique No. 2

BK2106151093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 21 Jun 93

["Ninth National Assembly's Third Session Communique No. 2"]

[Text] On the afternoon of 21 June 1993, the National Assembly held a plenary session in the Conference Hall under the direction of National Assembly Vice Chairman Dang Quan Thuy.

At the opening of the session, National Assembly Chairman Nong Duc Manh congratulated journalists on the occasion of Vietnam's Press Day, 21 June.

Next, the National Assembly heard Minister Le Xuan Trinh, director of the Government Office, who, on behalf of the government, briefed the deputies on additional issues related to the draft law on oil and gas. Altogether, 23 National Assembly deputies expressed their views on this draft law, focussing on important issues which still display differing opinions like national resource and income taxes, organization of state management, and inspection of oil and gas exploitation.

The National Assembly will continue work in the Conference Hall on the morning of 22 June 1993 to discuss the draft law on publishing activities.

Vo Van Kiet Visits Cement Factory Site

BK1806062793 Hanoi VNA in English 0603 GMT 18 Jun 93

[Text] Hanoi VNA June 18—Prime Minister Vo Van Kiet on June 17 made an inspection tour of the site where the But Son Cement Factory and the Kim Bang Building Material Industry Centre will be built in Nam Ha Province, southeast of Hanoi.

The But Son Cement Factory will start construction in the second quarter of 1994 and is expected to be put into operation in the first quarter of 1997 with a design capacity of 2.8 million tonnes/year and an investment capital of 185 million US dollars.

The Vietnam Union of Cement Factories produced 3.4 million tonnes of cement in 1992 and one million tonnes in the first quarter of this year. It plans to turn out 950,000 tonnes of cement in the second quarter.

Budget Revenues Increase in First Half of Year

BK1706112393 Hanoi VNA in English 0653 GMT 11 Jun 93

[Summary] In the first six months of this year, budget revenues increased by 45 percent compared with the same period last year which represented a 2.3 fold increase compared with the same period of 1991. Revenues increased 29.6 percnt from depreciation cost, 41.9 percent from crude oil sales, 55.1 percent from industrial and commercial taxes, 58.1 percent from the state-run economy and 2.6 times from export-import taxes. The increase of income sources has led to improved budget expenditures. Spending on capital construction increased 2.9 times, education by 23 percent, public health by 10 percent, scientific research by 56 percent, culture, information, and sports by 20.8 percent. Besides, debt services to foreign countries more than doubled compared with the first six months of 1992.

Together with the satisfactory results in fiscal performances, credit turnover increased by 42 percent compared with the corresponding period in 1992. Total revenues in cash in the first six months of this year increased by 15 percent over the same period last year.

Campaign Launched To Lower Carbon Dioxide in Seas

BK1806063393 Hanoi VNA in English 0625 GMT 18 Jun 93

[Text] Hanoi VNA June 18—The Vietnam Aquaculture Service is launching a campaign of activities in response to the "Ocean Day '93" initiated by the Oceanographic Institute of Canada.

Each year Vietnam nets some one million tonnes of aquatic products for domestic consumption and export.

Carbon dioxide content in Vietnam sea has exceeded the allowed level, narrowing the natural breeding grounds of many species of fish and affecting the movement and distribution of marine life in general.

The Vietnamse Aquaculture Service has begun to apply advanced technologies of the world to the protection of the oceans.

Figures on Summer Rice Harvested in North

BK2106142593 Hanoi VNA in English 1414 GMT 21 Jun 93

[Text] Hanoi VNA June 21—Farmers in northern provinces had by mid-June almost completed the harvest of more than one milliom hectares under summer rice. It is estimated by local agricultural departments that the average yield is 3.7 tonnes of paddy rice per hectare and the total output of this crop in the northern provinces is about four million tonnes of paddy rice, an increase of 0.24 tonne/hectare and 230,000 tonnes over the same crop last year, respectively. Meanwhile, in the south, 1,107,000 hectares had been planted with summer-autumn rice, representing 91 percent of the plan.

Australia

Minister Denies 'Dumping' Steel in U.S. Market

BK2306091293 Hong Kong AFP in English 0618 GMT 23 Jun 93

[by Jack Taylor]

[Text] Sydney, June 23 (AFP)—Australian-U.S. relations suffered another serious blow Wednesday following the latest assault on Australian exports, this time with what was seen here as an unjustified charge of dumping steel products. A U.S. move announced overnight to impose a 25 percent duty on Australian corrosive resistant steel was attacked by Trade Minister Peter Cook who said he believed steel manufacturer BHP had a strong case to have the decision overturned.

Australia is one of 19 steel-producing countries against which the U.S. Commerce Department imposed anti-dumping duties Tuesday. The move follows a turbulent month which has seen trade tensions escalating over access to lucrative Pacific air-routes and attempts to expand sales of subsidised U.S. agricultural and dairy products into traditional Australian markets.

Canada also announced this week a 25 percent tariff on non-American beef aimed at limiting imports of Australian beef which had grown in Canada since the United States began cutting beef imports from Australia. Cook said both BHP and the government were still assessing the significance of the decision, adding: "It's not a nice decision, we don't like it and we'd have preferred if it hadn't been made. "However, we do recognise it's one step in a process and the next step is to determine to what extent the alleged dumping is causing injury in the United States."

BHP, he said, was a small supplier to the United States, its exports of corrosion resistant steel accounting for only 1.29 percent of the U.S. domestic market, so it was hard to envisage how it was injuring U.S. industry. "BHP is not acting improperly. I think BHP has been a model international company in its dealings with the steel industry in the United States and elsewhere."

Cook said steel duties were an indication of the growing protectionist stance of President Bill Clinton, who was pushing for the best outcomes for domestic U.S. industries early in his administration. "That's caused a bit of pain around the place."

The best long-term outcome for Australia rested with a successful outcome to the Uruguay Round of General Agreement on Trade and Tariffs negotiations on the lowering of international trade barriers. BHP's steel division chief executive Ron McNeilly said he was confident the International Trade Commission (ITC) would find Australia not guilty of dumping (the practice of exporting at heavily subsidised prices).

He told a radio interviewer Australian products were being sold in niche markets in the United States, including to BHP's own American plants. "We are selling a product that is made from leading technology that we argue is not available in total from the U.S. mills," he said. "We're selling to long term customers and we're selling to our own factories, in fact around 38 percent of what we put into the United States goes to our own factories."

BHP believed the ITC result, to be announced August 5, would clear it of dumping. He said there was nothing to stop U.S. steel producers competing with the Australian product but Australia was suppling what BHP and its customers believed were products of a quality, specification and standard not readily available from U.S. mills.

Farming Group To Discuss U.S. Milk Exports

BK2306080493 Melbourne Radio Australia in English 0500 GMT 23 Jun 93

[Text] Talks will be held in Canberra today on another American threat to an Australian primary industry. (Murray Ferry) reports the National Dairy Industry reacted with alarm at threats by the United States to export subsidized milkpowder to the Philippines.

[Begin recording] [(Ferry)] Manila has been one of Australia's biggest buyers of skim milkpowder and this morning Pat Rolley, president of the Australian Dairy Farmers Association, will ask the trade minister, Peter Cook, for help, but he admits there is probably little the government can do.

[Rolley] The fact is that we are not big players in terms of world trade. We have not got the economic clout to be able to demand further action. We had rather prevail upon the Americas not to be targetting those markets that have been traditionally ours when the real problem in the world market is the EC. [end recording]

Canberra Condemns Canadian Beef Tariff

BK2206070293 Melbourne Radio Australia in English 0500 GMT 22 Jun 93

[Text] Australia has condemned the move to impose new trade restrictions on beef imported into Canada. The Canadian Government has announced a 25 percent tariff that will apply on imports of beef from non-American countries, including Australia and New Zealand.

The imposition of the tariff which will be applied retrospectively from the beginning of May until the end of the year follows the failure of negotiations between Canberra and Ottawa to prevent the action.

Australia's primary industries minister, Simon Crean, says he will be asking the Canadians to reconsider the move.

[Begin Crean recording] This is a very regrettable decision by the Canadians, and in our view runs against the evidence that was available to the tribunal that looked at these things. We will be taking the matter up with the Canadian Government. We will be looking to take the matter into international fora as well. [end recording]

Producers: Tariff Will Cut Sales

BK2206093493 Melbourne Radio Australia in English 0500 GMT 22 Jun 93

[Text] Australia's beef producers have had bad news from another of their big markets today—a 25-percent tariff on exports to Canada. The Canadian agriculture minister, Charles Mayer, announced the tariff retrospective to 1 May and lasting until the end of the year.

It is aimed at limiting Australian beef imports, which have grown in Canada, as the United States has cut its intake. Richard Crutch of the Australian Meat Exporters Federation told the ABC [Australian Broadcasting Corporation] Radio Country Hour that it was a hard blow for Australian producers.

[Begin Crutch recording] It cuts off a very large avenue of sales for us. I would imagine that in the next seven months, we will not supply more than about, oh, let me take an intelligent guess and say on the order of 15,000 or 20,000 tons. Whereas in the first five months, we would have shipped perhaps 55,000 tons. So, you can imagine the exporters' reaction. It's quite hostile to the fact that it has been reduced so drastically. [end recording]

Fiji

Labor Party Walkout Protests Rabuka Policies

BK2306082993 Melbourne Radio Australia in English 0500 GMT 23 Jun 93

[Text] In Fiji, the opposition Labor Party has walked out of Parliament in protest over alleged promises by the government. Erina Reddan from our South Pacific Bureau says the walkout has jeopadized Sitiveni Rabuka's decision as prime minister.

[Begin Reddan recording] Labor leader Mahendra Chaudhry agreed to support former coup leader, Sitiveni Rabuka, as prime minister a year ago in exchange for guarantees on a review of the racially biased constitution, land leases for Indian sugarcane farmers, and anti-union laws.

Mr. Chaudhry says the prime minister has not delivered and the 13 Labor MP's [members of Parliament] have withdrawn their support. The walkout followed yesterday's resignation by the deputy speaker, Navin Maharaj, who is also a prominent Labor Party member.

The 14 National Federation Party MP's taking up the remainder of the 27 seats reserved for Indians have remained in Parliament. [end recording]

Western Samoa

Prime Minister Admits Partisan Support Decreasing

BK2306093293 Hong Kong AFP in English 0817 GMT 23 Jun 93

[Text] Apia, June 22 (AFP)—Western Samoan Prime Minister Tofilau Eti Alesana confirmed here Tuesday the loss of some partisan support in Parliament and claimed the opposition was trying to bring down his government. He told Parliament that three MPs had left the ruling Human Rights Protection Party (HRPP), although political sources said two of them had been expelled.

Tofilau, prime minister for more than seven years, has been in trouble for weeks. The HRPP has enjoyed a solid but ill-defined majority in the 47 seat Legislative Assembly, which now appears to be breaking up.

A general election was due here next year, three years after the last one, but the HRPP has changed the constitution to extend the term to five years. Tofilau accused opposition leader Tuiatua Tupua Tamasese Efi, prime minister in the 1970s, of attempting to bring the government down when it was working for the benefit of Western Samoa. He said two unnamed MPs had told him Tupua was trying to sign up government MPs.

The prime minister said he had offered his resignation because of differences inside the HRPP but had been turned down by the party. He advised Tupua to be patient, saying that the opposition would take power if the country agreed to it. The Samoa Observer reported Tuesday that three government MPs, including former Speaker Nonumalo Sofara, had signed a letter seeking the reinstatement of the three year parliamentary term.

Tofilau is the third South Pacific leader facing political difficulties this week, only days before the scheduled Pacific Leaders Conference in Tahiti. Last week saw the toppling of Solomon Islands Prime Minister Solomon Mamaloni by his successor Francis Billy Hilly, while in Fiji Prime Minister Sitiveni Rabuka is facing a parliamentary walkout by the Indian MPs whose support was the key to his attaining the premiership.